

K E Environmental

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PHASE I ENVIRONMENTAL SITE ASSESSMENT

Industrial Property
1551 East Orangethorpe Avenue
Fullerton, CA 92831

KEE Project Number 6023

Prepared for

Community Bank
790 East Colorado Boulevard
Pasadena, California 91101
AD# 2006-07-09

Prepared by

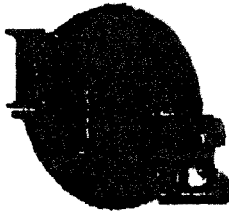
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October 7, 2006

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EXHIBIT NO. 14
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CSR # 7559

OCWD 042876



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Community Bank
790 East Colorado Boulevard
Pasadena, California 91101

October 7, 2006

Attention: Mr. David Wright

SUBJECT: PHASE I ENVIRONMENTAL SITE ASSESSMENT
Industrial Property
1551 East Orangethorpe Avenue
Fullerton, CA 92831

Dear Mr. Wright:

In accordance with your request and authorization, K E Environmental (KEE) has prepared the attached Phase I Environmental Site Assessment (ESA) Report for the above referenced property. This investigation was conducted by KEE and consisted solely of the activities described herein in Section 1.1, Scope of Work. The findings, conclusions, and recommendations are subject to the limitations contained within Section 10.0, Limitations.

Should you have any questions regarding this report, please do not hesitate to contact the undersigned at your convenience. KEE appreciates the opportunity to be of service to Community Bank.

Respectfully Submitted,
K E Environmental

Peter Martin
Professional Geologist
PG # 4561

Kent Green
Project Geologist

EXECUTIVE SUMMARY

Community Bank (CB) retained K E Environmental (KEE) to conduct a Phase I Environmental Site Assessment (ESA) on the industrial property located at 1551 East Orangethorpe Avenue, Fullerton, California (the Site). The purpose of this ESA was to investigate for potential sources that may pose adverse environmental impact to the Site, due to the presence of past or present, known or suspected hazardous materials and/or wastes on the Site, or in the vicinity of the Site. This due diligence assessment included reconnaissance of the Site and surrounding properties, review of aerial photography, city directories, and federal, state, and local regulatory agency records. This report presents KEE's findings and conclusions.

Based on the information obtained and reviewed by KEE during the performance of this ESA, we conclude the following:

- The Subject Property, located at 1551 E. Orangethorpe Avenue, Fullerton, California, is situated in an industrial area of Fullerton and covers approximately 4.562 acres. The Site was developed in 1956 with the existing 108,300 square-foot single story manufacturing/warehouse building.
- The Site is currently occupied by Country Affair, a custom furniture manufacturer and finishing company. Observations of the Site indicated that various quantities of paints, stains, thinners and cleaning solutions are used and stored on the Site. Most of the liquids are stored in the original containers and are warehoused within the flammable storage room. Observations indicated that good housekeeping methods were employed. No hazardous waste is reportedly generated at the Site.
- The earliest documented use of the Site (circa 1927) was for agricultural purposes, as tree orchards. The Site was first occupied by Ensign Carburetor Company/Butane and Propane Equipment Manufacturing. KEE assumes Ensign moved in following construction of the existing building in 1956. From 1960 through at least 1985, Arnold Engineering Company (Arnold) occupied the Site. Arnold provided stamping and milling services to the electronics industry and used various volatile organic chemicals (VOC's), which included; perchloroethylene (PCE), trichloroethylene (TCE) and many other similar solvents and degreasers. Arnold installed a clarifier in 1974. In 1990, Woodmill Products (Woodmill) occupied the Site. Woodmill manufactured picture frames and performed silk screening activities. The data is not clear how long Woodmill occupied the Site. In May 1994, a company named Red Eagle Properties purchased the Site from Resolution Trust Corporation (RTC). Red Eagle subsequently sold the Site in 1995 to the current occupants, Country Affair.
- No evidence was observed on the Site or reported in the environmental databases searched to indicate that USTs or ASTs presently exist or have existed on the Subject Property.

- In September 1994, two clarifiers were removed from the Site. Soil sampling following the removals indicated the presence of TRPH and volatile organic chemicals (VOCs). Subsequent subsurface investigations indicated relatively high levels of VOCs in the near surface soil (down to 35-40 feet), with detectable concentrations of certain VOCs down to a depth of 105 feet bgs, or to just above the groundwater level. In 1994, a soil vapor extraction system was operated to remediate the near surface soils. In 1995, OCHCA concluded the Site had sufficiently remediated and granted site closure. Confirmation soil samples indicated that various levels of VOCs remained in the subsurface soil. In addition, in 1995, the RWQCB granted closure and required no further investigation of the underlying groundwater, citing that the current owner was not responsible for the underlying groundwater contamination.
- In 2004, the Site was named as one of many PRPs by the OCWD responsible for contributing to the extensive VOC plume in the groundwater in the Fullerton area. In 2005, the OCWD initiated a lawsuit against the Subject Property and the other named PRPs.

Based on the information gathered during the performance of this ESA and on the aforementioned conclusions, KEE recommends the following:

- KEE recommends that no further subsurface investigations are warranted at this time.
- KEE also recommends that in light of the OCWD lawsuit, legal council reviews what obligations previous occupants/owners may have and what liabilities a new owner/occupant/lender may have.

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1.0 INTRODUCTION

This report presents the findings, conclusions, and recommendations of a Phase I Environmental Site Assessment (ESA), conducted by K E Environmental (KEE), for Community Bank (CB) on the industrial property located at 1551 East Orangethorpe Avenue, Fullerton, California (the Site). The Site location is shown on the Site Location Map, Figure 1.

KEE conducted this ESA in accordance with the approved contract, dated September 11, 2006. During the course of this assessment, KEE made due diligence inquiries into the current and previous uses of the Site and surrounding areas, consistent with good commercial or customary practice.

1.1 SCOPE OF WORK

The purpose of this assessment was to investigate for potential sources that may pose adverse environmental impact, due to the presence of past or present, known or suspected hazardous materials and/or wastes, on the Site or within the near vicinity of the Site. To accomplish this objective, the following tasks were performed:

KEE conducted a Site reconnaissance to evaluate the current Site conditions and usage with regards to visible signs of potential hazardous materials and/or waste.

KEE conducted a reconnaissance of nearby surrounding properties, to observe the conditions and activities conducted with regards to their potential environmental impact on the Site.

KEE contacted representatives of selected local agencies regarding records and files concerning the environmental status and current and previous conditions of the Site. Agencies contacted included the Orange County Health Care Agency (OCHCA), Orange County Water District (OCWD), as well as, the Fullerton Public Works, Engineering, Business License, and Building and Safety Departments.

KEE reviewed selected published geologic and hydrologic reports, regarding the Site geology, soil, and groundwater conditions.

KEE reviewed numerous previously prepared reports concerning the Site, which included Limited Subsurface Investigation reports, Phase I ESAs, and regulatory agency correspondence related to the findings of the previous reports.

KEE reviewed selected federal, state, and local environmental regulatory agency databases concerning the reported environmental permits, status, and conditions on the Site and within a one-mile radius of the Site.

Reviewed selected aerial photography covering the Site and vicinity, in order to evaluate the historic development and land use of the Site and vicinity. Of primary interest were indications of storage tanks, dumping or storage of materials, or any other potential environmental concerns that may have occurred on or near the Site.

Information obtained by KEE during this investigation was compiled into this report, with accompanying figures and appendices, presenting our findings, conclusions, and recommendations regarding the Site's environmental integrity.

2.0 GENERAL SITE INFORMATION

2.1 SITE LOCATION/DESCRIPTION

The Subject Property, 1551 East Orangethorpe Avenue, consists of an approximately 4.562 acre, flagged-shaped lot, situated within a larger industrial park, generally called the "Fullerton Business Center North". KEE understands these names are often confusing and the Subject Property is not a part of the "Fullerton Business Center North". The Subject Property is located approximately 700 feet west of the intersection of South Acacia and East Orangethorpe Avenues in Fullerton, California, with access off Orangethorpe Avenue via a driveway.

Improvements on the Site consist of an approximately 108,300 square foot, single-story manufacturing/warehouse building, constructed in 1956. The outdoor portions of the Site consist of asphalt-paved driveways/parking areas, with small landscaped areas. The general layout of the Site is shown on Figure 2, Site Layout Map. Photographs of the Site are provided in Appendix A.

2.2 VICINITY DESCRIPTION

The adjoining properties to the east, west, and south are occupied by similar commercial/light industrial businesses. To the north of the Site is Johnson Controls, Inc., a manufacturer of mechanical, electrical, and digital controls.

3.0 ENVIRONMENTAL SETTING

3.1 GEOLOGY

The site is located at an elevation of approximately 177 feet above mean sea level (Base Map from USGS Anaheim 7.5 minute quadrangle topographic map, 1978, photorevised 1981). The near surface underlying sediments consist of interbedded silts, sands and gravels typical of the Santa Ana River Channel deposits.

3.2 LOCAL HYDROGEOLOGY

The depth to first groundwater beneath the Site is estimated to be approximately 110 feet below the ground surface. Shallower, locally discontinuous perched zones may be present in the Site vicinity. The groundwater flow direction is generally towards the west-southwest.

4.0 CURRENT SITE USAGE AND RECONNAISSANCE

Kent Green of KEE performed a Site reconnaissance on October 3, 2006, in order to evaluate and observe the current Site conditions and the surrounding properties with regards to visible signs of potential hazardous materials or waste. Mr. Alan Needles, owner, provided access to all areas of the Site and answered our questions.

The Site is currently occupied by Country Affair, a custom furniture manufacturing company. The business activities consist of manufacturing and finishing wooden furniture. Observations indicated that materials such as paints, stains, lacquers, thinners and acetone were observed throughout the Site. The size of the materials containers ranged from 5-gallon to 55-gallon drums. Most containers were stored within the flammable storage room located on the western side of the building. A finishing room, which contained six paint booths, is also located on the western side of the building. Several 55-gallon drums and smaller containers are stored adjacent to the paint booths. No hazardous waste is reportedly generated on Site.

4.1 PETROLEUM PRODUCTS AND HAZARDOUS MATERIALS

Moderate surface oil staining was observed on the concrete pavement in the vicinity of the air compressors situated on the northwestern side of the building. Additionally, some minor automobile staining was noted in the parking lot areas of the Site. Based on the source and surficial nature of the staining, this typical automobile surface staining is not considered to be of an environmental concern.

No liquid wastes or wastewater is reportedly generated at the Subject Property.

4.2 UNDERGROUND STORAGE TANKS (UST's)

No underground storage tanks (UST's), vent pipes, pits, or sumps were observed to be present on the Site during our reconnaissance. Additionally, Orange County Environmental Health Care Agency (OCHCA) had no records that indicated UST's currently exist or have existed at the Subject Site.

The Site is listed in the VeraCheck Environmental Records search data on the Underground Storage Tank list. However, further review indicates that this listing identified a concrete lagoon/clarifier as having been installed in 1974. This concrete structure was subsequently removed in 1994 and is discussed in Section 6.1, below.

4.3 ABOVEGROUND STORAGE TANKS

No aboveground storage tanks were observed to be present on the Site during our reconnaissance. Review of the OCHCA and VeraCheck database search data, indicated no records are available that show permits for aboveground storage tanks for the Site addresses.

4.4 TRANSFORMERS

Electricity is supplied to the Site via underground utility lines. A pad-mounted transformer was observed near the northwest corner of the Site. Observations of the transformer indicated no leaking oil or associated oil stains.

Electric florescent light ballasts manufactured prior to 1978 have the potential to contain polychlorinated biphenyls (PCBs). In general, all PCB designated electric transformers were required to be replaced with non-PCB designated transformers when PCB's were designated a carcinogen by the EPA in 1978. Florescent light ballasts manufactured after 1978 are usually identified with labels stating "No PCBs." Based to the age of Site construction, (1956), PCB-containing florescent light ballasts may be present on the Site.

5.0 PREVIOUS SITE USAGE/RECORDS REVIEW

The following summarizes the prior uses of the Site and is based on KEE's review of building permits, selected historical air photos, City Directories, and the provided previously prepared reports. The earliest documented use of the Site (circa 1927) was for agricultural purposes, as tree orchards. The Site was first occupied by Ensign Carburetor Company/Butane and Propane Equipment Manufacturing. KEE assumes Ensign moved in following construction of the existing building in 1956. From 1960 through at least 1985, Arnold Engineering Company (Arnold) occupied the Site. Arnold provided stamping and milling services to the electronics industry and used various volatile organic chemicals (VOC's), which included; perchloroethylene (PCE), trichloroethylene (TCE) and many other similar solvents and degreasers. Arnold installed a clarifier in 1974. In 1990, Woodmill Products (Woodmill) occupied the Site. Woodmill manufactured picture frames and performed silk screening activities. The data is not clear how long Woodmill occupied the Site. In May 1994, a company named Red Eagle Properties purchased the Site from Resolution Trust Corporation (RTC). Red Eagle subsequently sold the Site in 1995 to the current owners Country Affair. Country Affair has occupied the Site since that time manufacturing furniture.

5.1 CITY OF FULLERTON BUILDING AND SAFETY DEPARTMENT

KEE visited the City of Fullerton Building and Safety Department to review the available files concerning the subject Site. The available permits were generally related to the construction of the building and the installation of heavy machinery and industrial equipment. The only permits of any environmental concern were for the six spray booths and clarifier. No other information of an environmental nature was noted.

5.2 AERIAL PHOTOGRAPHY

Aerial photographs covering the years 1927, 1938 1947, 1953, 1968, 1976, 1990, 1995, and 2002 from EDR's Aerial Photography Collection were reviewed to observe past characteristics and usage of the Site. Review of the 1927, 1938, 1947 and 1953 photographs; show the Site and surrounding properties were used for agricultural purposes.

The 1968 photograph shows the Site area has been developed with a commercial/light industrial building that is the current building and Site layout. The surrounding area has now become partially developed with commercial buildings with some agriculture still present. The Artesia Freeway has been constructed to the south of the Subject Site.

The 1976 photograph again, shows the Site much as it looks today. The surrounding properties have been further commercially developed with little agriculture left.

The 1990, 1995, and 2002 photographs show the Site and surrounding area, much as it looks today.

5.3 TENANT REPORT AND BUSINESS REVIEW

City directories have been published for cities and towns across the U.S. since the 1700s. Originally, published as a list of residences, the city directories quickly developed into a sophisticated tool for locating individuals and businesses in a particular urban or suburban area. Twentieth century directories are generally divided into three sections: a business index, a list of resident names and addresses, the names and types of businesses (if unclear from the name).

VeraCheck was contracted by KEE to conduct a city directory review on the Subject Site and surrounding properties, from reasonably ascertainable published city directories. Business directories, including city and cross-reference telephone directories were reviewed, if available, at approximately five-year intervals for the years spanning 1920 through 2004. The following is a summary of the VeraCheck Tenant Report.

The Subject Site address was not listed from The VeraCheck Tenant Report business source from 1920-1966.

In 1974, 1980, and 1985 the VeraCheck Tenant Report business source lists Arnold Engineer Co as conducting business at the Subject Site.

In 1991, VeraCheck Tenant Report business source lists a business called "Eye Encounter" as occupying the Site.

There is not a commercial listing for the Site in 1995.

The Country Affaire, also known as Hacienda Custom Made Furniture and Elden Collections is listed at the Site address for the years 1998, 2000, 2002, and 2004.

A copy of the VeraCheck Tenant Report for the Subject Property and nearby properties is provided in Appendix B.

5.4 SANBORN FIRE INSURANCE MAPS

Sanborn Maps are prepared for fire insurance underwriting purposes, generally covering industrial and commercial areas. The maps describe the construction and relative fire-resistance of buildings; depict the locations of fire prevention devices, gasoline storage tanks, water lines, cisterns, and any potentially flammable materials in the Site vicinity.

Our records search indicated that no coverage of Sanborn Maps were available for the Site area.

5.5 DIVISION OF OIL AND GAS

California Division of Oil and Gas maps and records were researched for data regarding the presence of petroleum-producing properties and/or wildcat oil or gas wells in the Site vicinity. The Site is not situated within the limits of a defined oil field. Occidental Petroleum Corp. drilled the closest exploratory well, "Ehrle", situated approximately one-mile southeast of the Subject Site, in 1967, to a depth of 8,055 feet. This well was subsequently plugged and abandoned, "Dry Hole", as shown on Figure 3, Oil and Gas Map.

6.0 PREVIOUS ENVIRONMENTAL ACTIONS/CONCERNS

The following section provides a summary of previous environmental actions and concerns involving the Subject Site.

6.1 PREVIOUS INVESTIGATIONS/REGULATORY OVERSIGHT

In 1992, two separate Phase I ESA Reports covering the 1551 Orangethorpe Avenue property identified a "pit and a "clarifier" located in the driveway adjacent to the eastern side of the building. The reports indicated that a "spill of a sludge containing iron, nickel, and copper" occurred at the facility in 1985. In September 1994, the two clarifiers were reportedly removed from the Subject Property. Soil samples collected and analyzed following the removals indicated relatively high levels of PCE and total recoverable petroleum hydrocarbons (TRPH) were present in the underlying soil.

Subsequent to the removal of the clarifiers, several additional subsurface site investigations were conducted. Eight borings were advanced using a Geoprobe in December 1994. Relatively high PCE concentrations (96,000 ppb) were found in one boring near the former clarifier. In January 1995, an additional nine borings were advanced to maximum depths of 40 feet below ground surface (bgs). Significant concentrations of PCE were reportedly encountered to depths of 35 feet. The highest concentrations were found in soil samples from depths of 20 to 30 feet. There was no discussion of other VOCs, which may have been detected.

In March 1995, two more borings (BH-14 and BH-15) were drilled to depths of 115 feet. Groundwater was encountered at about 115 feet bgs in both borings. It was believed that this represents the Talbert Aquifer, a source of production/drinking water for Orange County. A perched zone was also encountered at about 60 feet bgs. PCE was not detected in the samples collected below 65 feet. However, various concentrations of PCE associated daughter products were detected at depth, particularly TCE that was reported in samples collected at 105 feet in both borings at concentrations of 180 ppb and 160 ppb.

According to the data reviewed, the OCHCA apparently expressed concern that the PCE concentrations identified in the subsurface represented a potential "public health excess lifetime cancer risk", based on a simplified vapor diffusion model. As a result of this concern, a soil vapor extraction and treatment system (VES) was installed and operated; in accordance with an approved OCHCA work plan dated July 26, 1995. This VES was reportedly operated from August 15, 1995 until November 27, 1995. Because of the apparent effectiveness of the VES, it was shut down on November 10, 1995. To verify the apparent effectiveness of the VES, three confirmation soil probes were sampled in the impacted area. Significantly lower levels of PCE were reported by the laboratory.

KEE understands that the OCHCA forwarded the prior investigation results to the Regional Water Quality Control Board (RWQCB), which has oversight of groundwater related activities. As a result of previous investigations, the RWQCB had requested that a groundwater investigation be conducted, including the installation of monitoring wells. However, due to the ownership history and the fact that the source of the problem was a previous property occupant (Arnold), not Red-Eagle Properties, and due to the remedial efforts implemented by Red Eagle Properties, the RWQCB withdrew its request for a groundwater investigation. On December 11, 1995, the RWQCB issued a letter stating the above to the current property owner, as a result of a meeting held on November 1, 1995. Copy of letter is provided in Appendix C.

On December 15, 1995, the OCHCA also issued a closure letter (copy of letter is provided in Appendix D). As stated in this closure letter, on-site remedial action was confirmed and "no further action is required at this time". It should be noted however, that this letter also states "...our closure) evaluation considered the present and proposed use of the property. Changes in the present or proposed land use may require further site characterization and/or site mitigation activity". Also the letter states "Please be advised that this letter does not relieve you of any liability....Nor does it relieve you of the responsibility to clean up existing, additional or previously unidentified conditions at the site which cause or threaten to cause pollution or nuisance or otherwise pose a threat to water quality of public health."

6.2 ORANGE COUNTY WATER DISTRICT VOC LAWSUIT

The subject property is located within an area that is underlain by an extensive regional VOC plume in the in groundwater. This VOC plume has been the subject of intensive investigation. The primary investigative agency has been the Orange County Water District (OCWD), the purveyor of domestic water in Orange County. Through several investigations, the OCWD identified several Potentially Responsible Parties (PRP's) that they suspect may have contributed to the VOC plume. The Fullerton Business Park and the facility located at 1551 E. Orangethorpe Avenue, Fullerton, were named as PRP's. The OCWD filed a lawsuit naming the identified PRP's as defendants, on April 11, 2005. KEE understands that Fullerton Business Park was dismissed from the suit; however, the 1551 E. Orangethorpe Avenue property was not dismissed from the lawsuit. Copies of the lawsuit and dismissal letter are provided in Appendix E.

7.0 REGULATORY AGENCY RESEARCH

The following environmental regulatory agency sources and databases have been searched for sites reported within the vicinity of the Subject Site. Appendix F includes a copy of the regulatory agency database search reports generated by VeraCheck, a sub consultant to KEE. The accuracy of the reports is constrained by the limits of care and professional skill exercised by the sub consultant. Our review of these records can be only as current as the listings, and may not represent all known or potential hazardous waste or contaminated sites. For completeness and quality control, additional agency records were investigated personally by KEE. KEE makes no claims as to the completeness or accuracy of the referenced sources.

A description of each list searched, with properties reported within the specified radius of the subject Site, is presented below. The locations of the listed sites, relative to the subject Site, are indicated on Figure 4, Map of Identified Sites-Database Searches, [] indicates the Map Number.

7.1 (NPL) NATIONAL PRIORITY LIST

This database has not identified any sites of environmental concern within a one-mile radius of the Subject Property.

7.2 (CERCLIS) COMPREHENSIVE ENVIRONMENTAL RESPONSE, COMPENSATION AND LIABILITY INFORMATION SYSTEM

This database has identified one site of environmental concern within a one-half mile radius of the Subject Property. The site, Omek Flexible Dis Drive, Inc., [19], is located approximately 528 feet southeast of the Subject Site, at 1835 E. Dawns Way, Suite B, Fullerton.

The site "Status" is; "The PRP or their contractors have begun construction work on-site in response to an emergency incident. The EPA is providing on-site technical oversight." Base on this formation and on the relative distance from the Subject Site, this site should pose little to no adverse environmental impact to the Subject Site.

7.3 (NFRAP) NO FURTHER REMEDIAL ACTION PLANNED SITES (CERCLIS)

This database has identified one site of environmental concern within a one-quarter mile radius of the Subject Property. The site, Johnson Controls Battery, [34], is located approximately 1056 feet northwest of the Subject Site, at 1550 E. Kimberly Ave., Fullerton.

This site was removed from CERCLIS and placed on the NFRAP List September 1, 1988. Base on this formation and on the relative distance from the Subject Site, this site should pose little to no adverse environmental impact to the Subject Site.

7.4 EMERGENCY RESPONSE NOTIFICATION SYSTEM (ERNS)

This database has identified one site of environmental concern within one-quarter mile radius of the Subject Property. The site, P.C.A. Metal Finishing, [40], is located approximately 1584 feet northeast of the Subject Site, at 1710 E. Rosslynn Ave., Fullerton.

This site reportedly spilled about 50 gallons of water and heavy metals when they overflowed a plating tank along with a holding tank. The spill was reportedly cleaned up by IT Corp. Base on this formation and on the relative distance from the Subject Site, this site should pose little to no adverse environmental impact to the Subject Site.

7.5 RCRA VIOLATORS LIST (CORRACTS)

This database has identified two sites of environmental concern within one-half of one-mile radius of the Subject Property. The first site, Johnson Controls Battery, [34], is located approximately 1056 feet northwest of the Subject Site, at 1550 E. Kimberly Ave., Fullerton. The second site, Kimberly-Clark Corporation, [60], is located approximately 1584 feet east of the Subject Site, at 2100 E. Orangethorpe Ave., Fullerton.

Base on the distance and relative location to the Subject Site, these sites should pose little to no adverse environmental impact to the Subject Site.

7.6 RESOURCE CONSERVATION AND RECOVERY INFORMATION SYSTEM (TSD)

This database has not identified any sites of environmental concern within a one-half mile radius of the Subject Property.

7.7 FEDERAL ENFORCEMENT DOCKETS (FD)

This database has not identified any sites of environmental concern within a one-quarter mile radius of the Subject Property.

7.8 ANNUAL WORK PLAN (BEP)

This database has not identified any sites of environmental concern within a one-mile radius of the Subject Property.

7.9 CALSITES

This database has not identified any sites of environmental concern within a one-half mile radius of the Subject Property.

7.10 STATE OF CALIFORNIA OFFICE OF PLANNING AND RESEARCH (CORTESE)

This database has not identified any sites of environmental concern within a one-half mile radius of the Subject Property.

7.11 LEAKING UNDERGROUND STORAGE TANKS (LUST)

This database has identified three sites of environmental concern within a one-eighth mile radius of the Subject Property. The first site [# 6], Inland Empire Equipment, is located approximately 700 feet to the southwest from the Subject Site, on the south side of Orangethorpe Avenue, at 1400 E. Orangethorpe Avenue. The second site [# 6], W.A. Krueger Co., is located approximately 600 feet to the south-southeast from the Subject Site, on the south side of Orangethorpe Avenue, at 1600 E. Orangethorpe Avenue. The third site [# 18], Raymark Industries, is located approximately 528 feet southwest of the Site, at 1351 S. Manhattan Ave., Fullerton.

All three sites are reported as having been investigated and as "Case Closed". Base on this information and on the relative positions from the Subject Site, these three sites should pose little to no adverse environmental impact to the Subject Site.

7.12 WELL INVESTIGATION PROGRAM (WIP)

This database has not identified any sites of environmental concern within a one-quarter mile radius of the Subject Property.

7.13 TOXIC PITS

This database has not identified any sites of environmental concern within a one-mile radius of the Subject Property.

8.0 CONCLUSIONS

- The Subject Property, located at 1551 E. Orangethorpe Avenue, is situated in an industrial area of Fullerton and covers approximately 4.562 acres. The Site was developed in 1956 with the existing 108,300 square-foot single story manufacturing/warehouse building.
- The Site is currently occupied by Country Affair, a custom furniture manufacturer and finishing company. Observations of the Site indicated that various quantities of paints, stains, thinners and cleaning solutions are used and stored on the Site. Most of the liquids are stored in the original containers and are warehoused within the flammable storage room. Observations indicated that good housekeeping methods were employed. No hazardous waste is reportedly generated at the Site.
- The earliest documented use of the Site (circa 1927) was for agricultural purposes, as tree orchards. The Site was first occupied by Ensign Carburetor Company/Butane and Propane Equipment Manufacturing. KEE assumes Ensign moved in following construction of the existing building in 1956. From 1960 through at least 1985, Arnold Engineering Company (Arnold) occupied the Site. Arnold provided stamping and milling services to the electronics industry and used various volatile organic chemicals (VOC's), which included; perchloroethylene (PCE), trichloroethylene (TCE) and many other similar solvents and degreasers. Arnold installed a clarifier in 1974. In 1990, Woodmill Products (Woodmill) occupied the Site. Woodmill manufactured picture frames and performed silk screening activities. The data is not clear how long Woodmill occupied the Site. In May 1994, a company named Red Eagle Properties purchased the Site from Resolution Trust Corporation (RTC). Red Eagle subsequently sold the Site in 1995 to the current occupants, Country Affair.
- No evidence was observed on the Site or reported in the environmental databases searched to indicate that USTs or ASTs presently exist or have existed on the Subject Property.
- In September 1994, two clarifiers were removed from the Site. Soil sampling following the removals indicated the presence of TRPH and volatile organic chemicals (VOCs). Subsequent subsurface investigations indicated relatively high levels of VOCs in the near surface soil (down to 35-40 feet), with detectable concentrations of certain VOCs down to a depth of 105 feet bgs, or to just above the groundwater level. In 1994, a soil vapor extraction system was operated to remediate the near surface soils. In 1995, OCHCA concluded the Site had sufficiently remediated and granted site closure. Confirmation soil samples indicated that various levels of VOCs remained in the subsurface soil. In addition, in 1995, the RWQCB granted closure and required no further investigation of the underlying groundwater, citing that the current owner was not responsible for the underlying groundwater contamination.
- In 2004, the Site was named as one of many PRPs by the OCWD responsible for contributing to the extensive VOC plume in the groundwater in the Fullerton area. In 2005, the OCWD initiated a lawsuit against the Subject Property and the other named PRPs.

9.0 RECOMMEDATIONS

Based on the information gathered during the performance of this ESA and on the aforementioned conclusions, KEE recommends the following:

- KEE recommends that no further subsurface investigations are warranted at this time.
- KEE also recommends that in light of the OCWD lawsuit, legal council reviews what obligations previous occupants/owners may have and what liabilities a new owner/occupant/lender may have.

10.0 LIMITATIONS

This due diligence assessment was conducted on behalf of, and for the exclusive use of Community Bank, solely as a Phase I Environmental Site Assessment of the Subject Site. The findings set forth in this report are strictly limited in time and scope to the date(s) of the evaluation(s). The conclusions presented are based solely on the services described herein and not on scientific tasks, or procedures beyond the scope of agreed upon services or the time and budgeting restraints imposed by the client.

This report may contain conclusions, which are partially based on the analysis of data accumulated at the time and place set forth in the report through observation. However, further investigations may reveal additional data or variations of the current data, which may require the enclosed conclusions to be reevaluated.

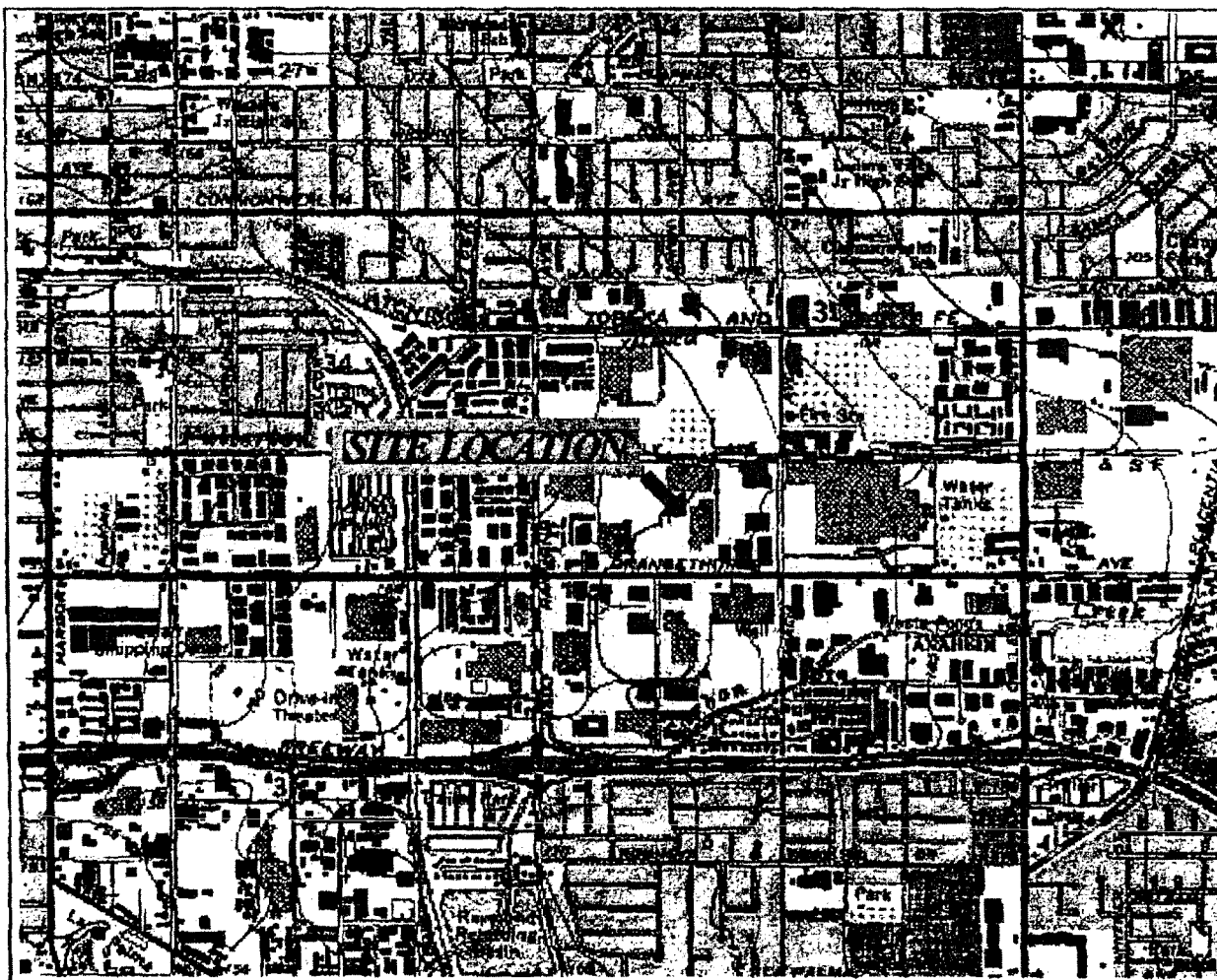
Much of the information provided in this report is based upon personal interviews and research of reviewed documents, records, and maps held by the governmental agencies and private concerns. It must be recognized that this is subject to the limitations of historical documentation, availability, and accuracy of pertinent records, and the personal recollection of those persons contacted. It is possible that information exists beyond the scope of this investigation.

The services performed by KEE have been conducted in a manner consistent with the level of care ordinarily exercised by members of our profession currently practicing under similar conditions. No other warranty expressed or implied is made.

11.0 SOURCES OF INFORMATION

- USGS Map, Anaheim Quadrangle, California 7.5-Minute Series (Topographic), 1961, Photorevised 1981.
- Official Zoning Map, City of Fullerton.
- City of Fullerton Building and Safety Department.
- VeraCheck Environmental Risk Advisory, Inc.'s, Environmental Record Search, September 12, 2006.
- VeraCheck Environmental Risk Advisory, Inc.'s, Tenant Report, September 12, 2006.
- VeraCheck Environmental Risk Advisory, Inc.'s, Aerial Photography Print Service, October 4, 2006.
- Lamar, Donald, L., and others, 1973, Earthquake Recurrence Intervals on Major Faults in Southern California, {in} Geology, Seismicity, and Environmental Impact, pg. 265-276.

FIGURE 1



***USGS Topographic Map, Anaheim Quadrangle
California 7.5 Minute Series, 1981***



ENVIRONMENTAL

COUNTRY AFFAIR
1551 E. Orangethorpe Ave.
Fullerton, CA 92831

SITE LOCATION MAP

Project No.: 6023

Date: 09/27/06

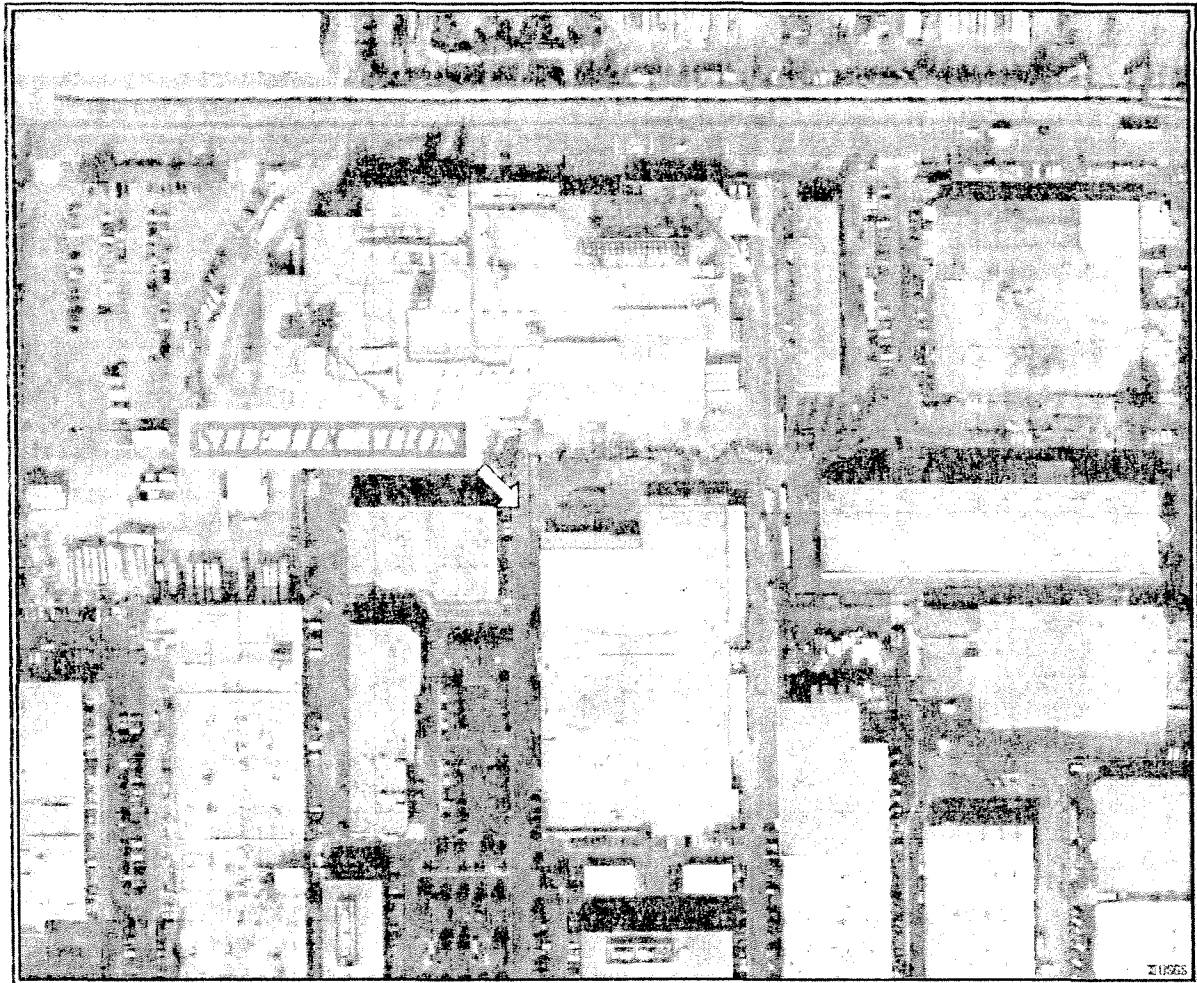
File: Figure 1

Drawn By: KBG

FIGURE

1

FIGURE 2



COUNTRY AFFAIR
1551 E. Orangethorpe Ave.
Fullerton, CA 92831

SITE LAYOUT MAP

Project No.: 6023

File: Figure 2

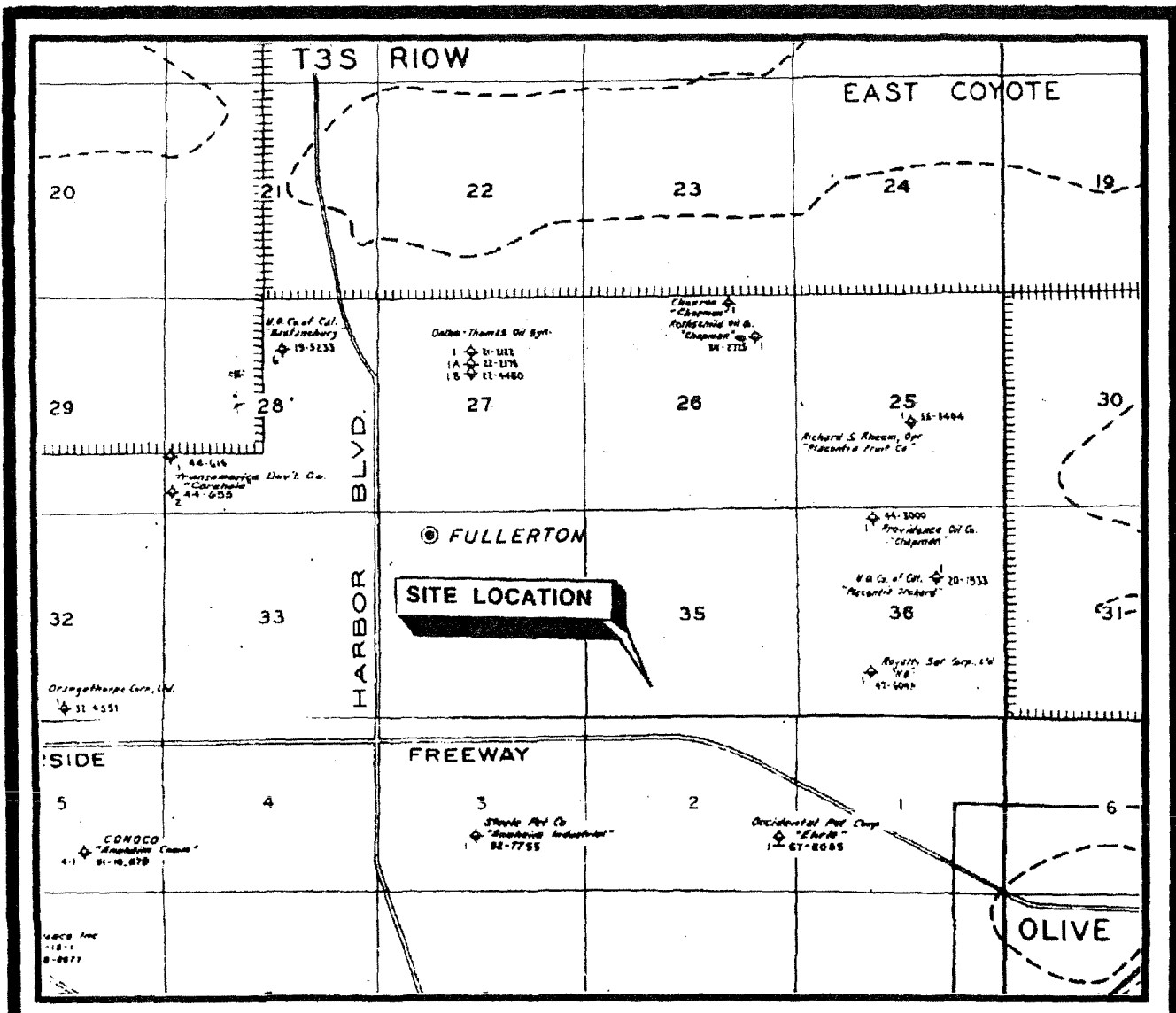
FIGURE

Date: 09/27/06

Drawn By: KBG

2

FIGURE 3



Base Map From Division of Oil & Gas
Wildcat Map W 1-5 & W1-6

0 4000 8000 12000
One Inch = 8,000 Feet
Approximate Scale in Feet



ENVIRONMENTAL

COUNTRY AFFAIR
1551 E. Orangethorpe Ave.
Fullerton, CA 92831

OIL & GAS MAP

Project No.: 6023

Date: 09/27/06

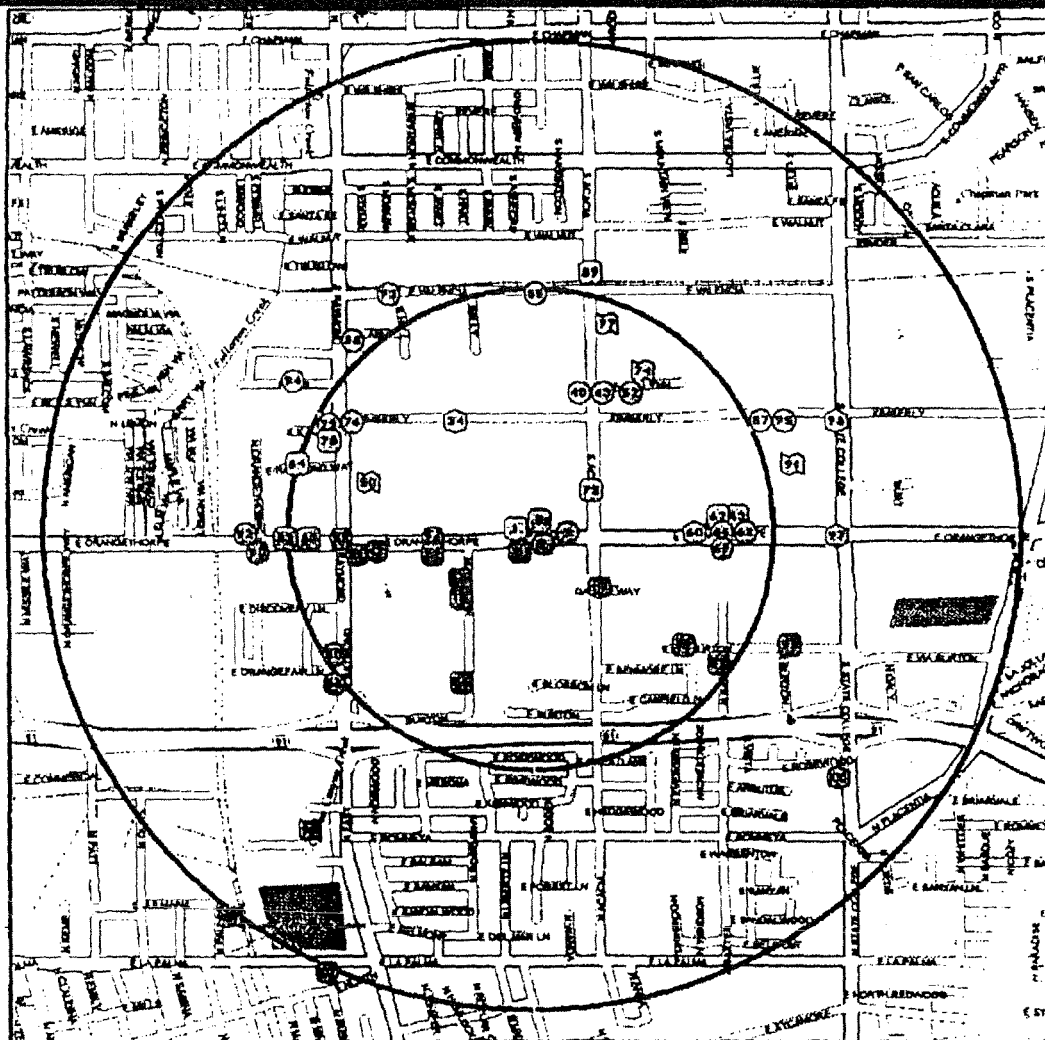
File: Figure 3

Drawn By: KBG

FIGURE

3

FIGURE 4



Use street numbers to the left
1.0 miles to 1/2 mile (the scales do not include any buffer zones)

- ☒ ENVIRONMENTAL CONCERNS - HIGH PRIORITY
- ☐ ENVIRONMENTAL CONCERNS
- ☐ ENVIRONMENTAL CONCERNS - WITH A 'NO FURTHER ACTION' STATUS
- ☐ OPERATING PERMITS ONLY
- ☐ WATER WELLS



ENVIRONMENTAL

COUNTRY AFFAIR
1551 E. Orangethorpe Ave.
Fullerton, CA 92831

ENVIRONMENTAL IDENTIFICATION MAP

Project No.: 6023

File: Figure 4

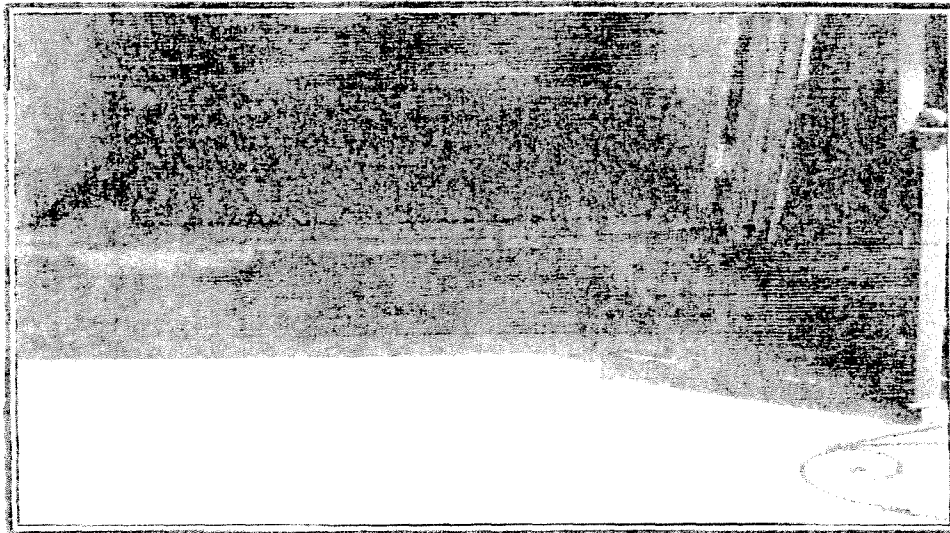
FIGURE

Date: 09/27/06

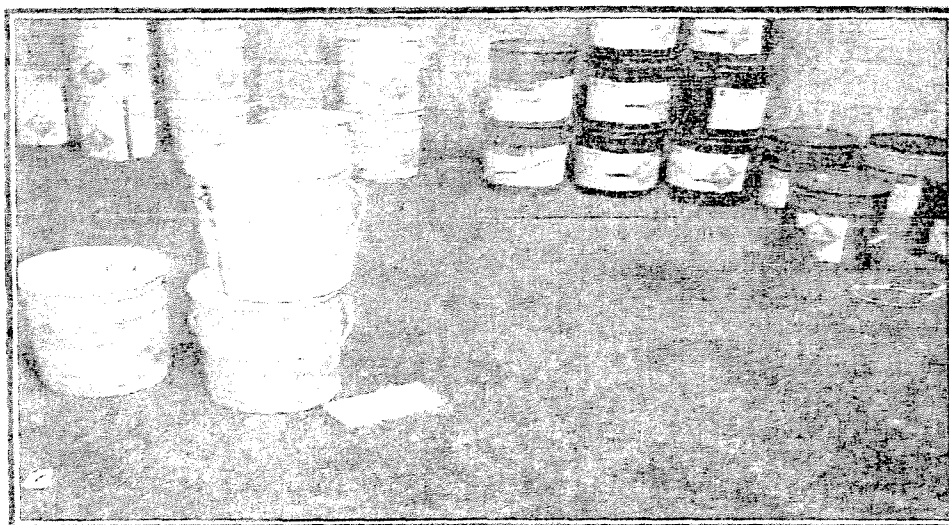
Drawn By: KBG

4

APPENDIX A



A view of the bermed hazardous material storage room.



Another view of the hazardous material storage room.

ENVIRONMENTAL

COUNTRY AFFAIR
1551 E. Orangethorpe Ave
Fullerton, CA 92813

SITE PHOTOGRAPHS

Project No.: 6023

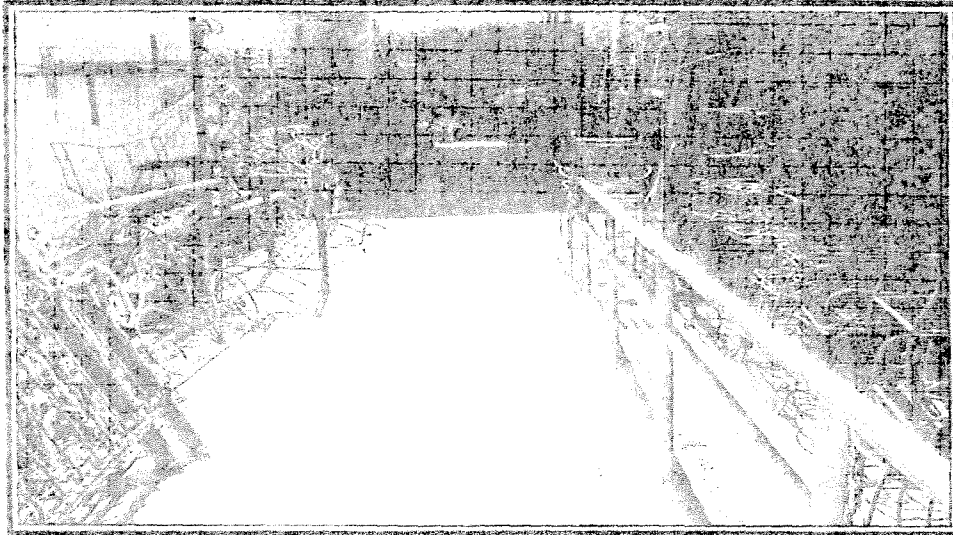
File: Appendix A

APPENDIX

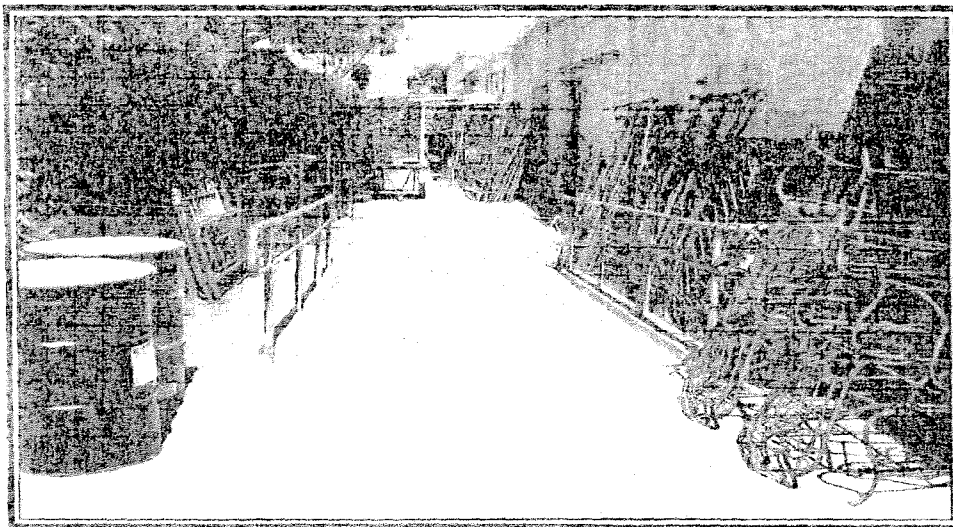
Date: 09/27/06

Drawn By: KBC

A



A view of the southwest side of the Property.



A view of the northwest side of the Property.

ENVIRONMENTAL

COUNTRY AFFAIR
1551 E. Orangethorpe Ave.
Fullerton, CA 92813

SITE PHOTOGRAPHS

Project No.: 6023

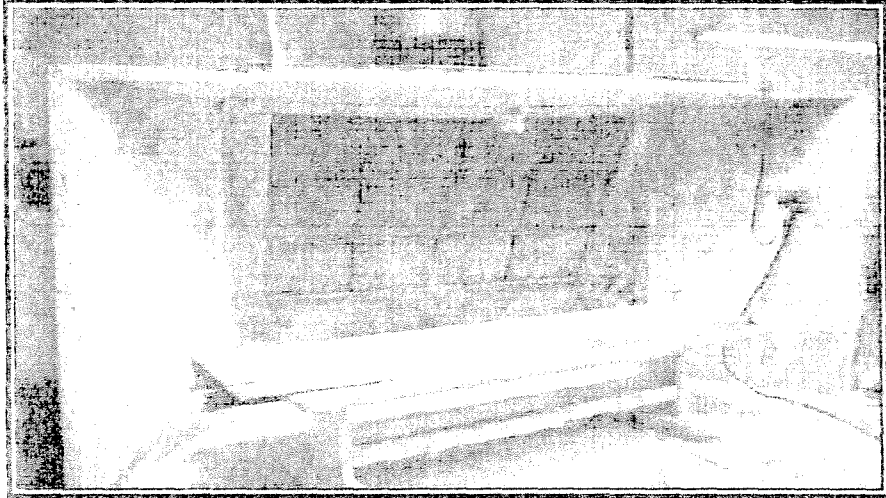
File: Appendix A

APPENDIX

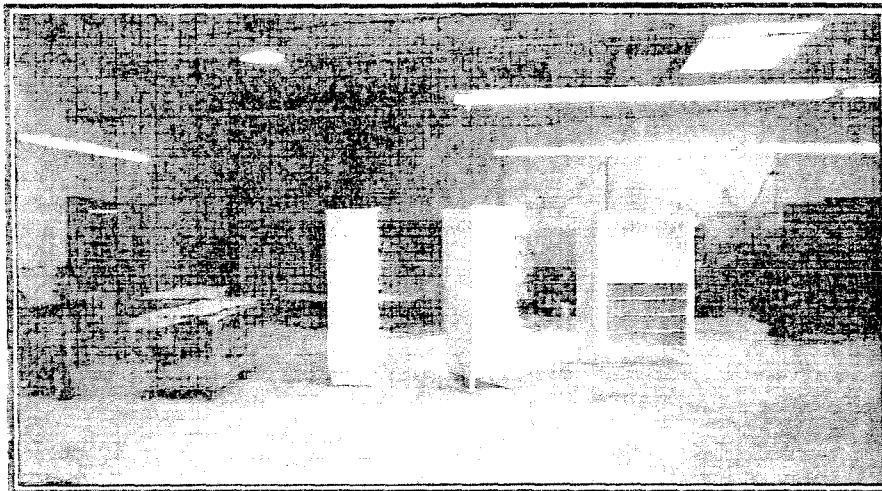
Date: 09/27/06

Drawn By: KBG

A



A view of the finishing area and associated spray booths.



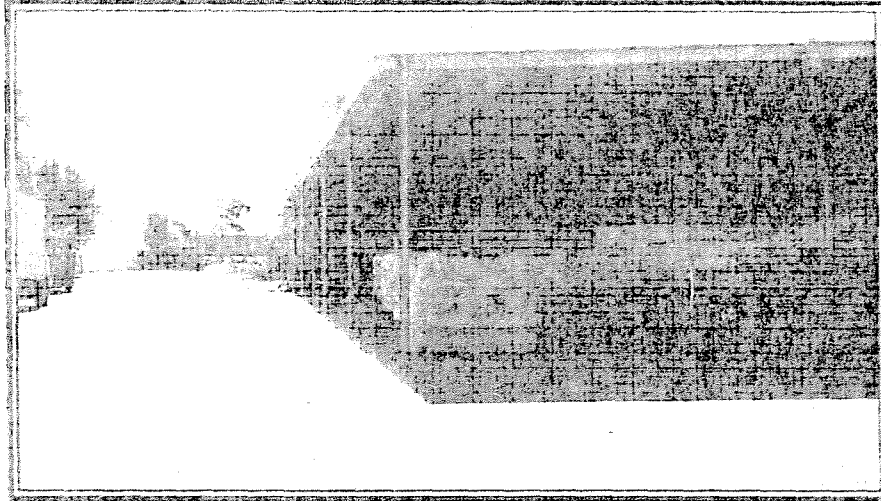
Another view of the finishing area.



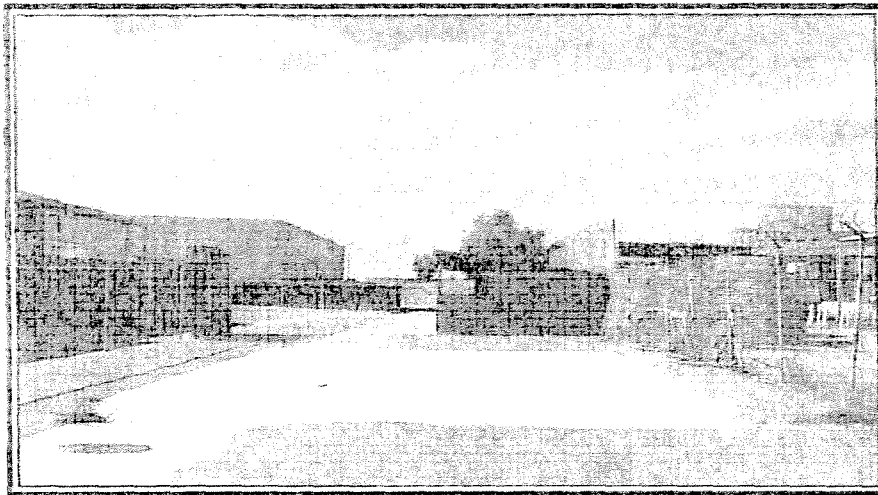
COUNTRY AFFAIR
1551 E. Orangethorpe Ave.
Fullerton, CA 92813

SITE PHOTOGRAPHS

Project No.: 6023	File: Appendix A	APPENDIX
Date: 09/27/06	Drawn By: KBG	A



A view from the northeast corner of the lot, looking south towards the front of the Property, showing the truck access along the east side of the Property.



A view from the northeast corner of the lot, looking west along the north side of the Subject Site.

ENVIRONMENTAL

COUNTRY AFFAIR
1551 E. Orangethorpe Ave.
Fullerton, CA 92813

SITE PHOTOGRAPHS

Project No.: 6023

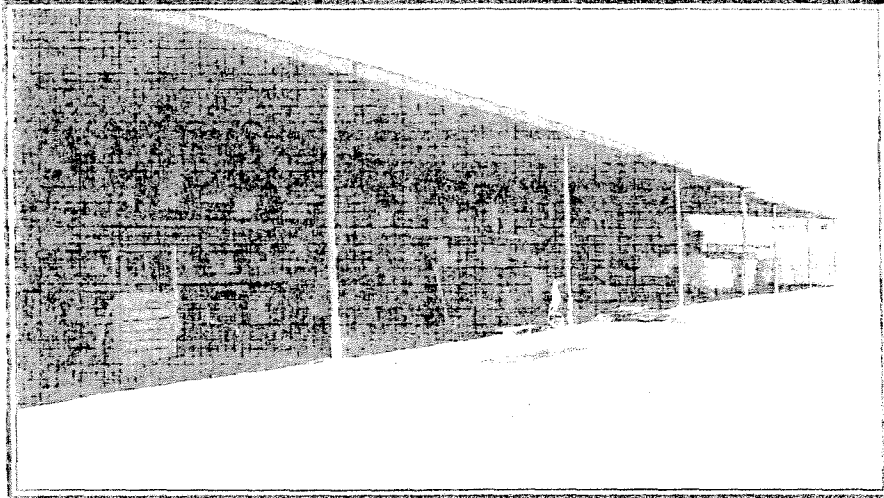
File: Appendix A

APPENDIX

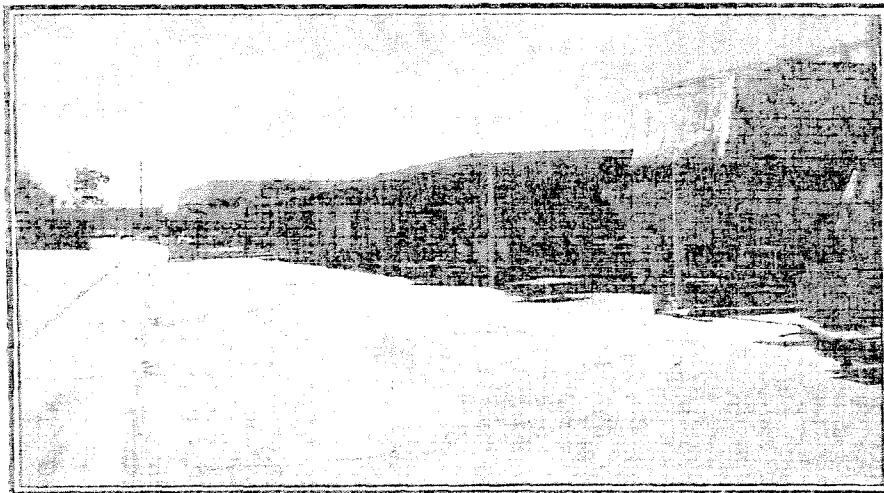
Date: 09/27/06

Drawn By: KBG

A



A view of the northeast exterior of the building and storage area.



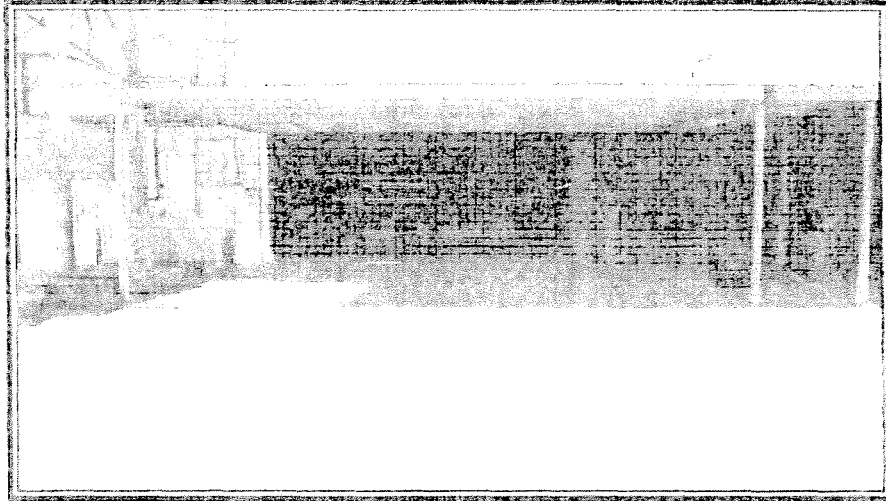
A view of the southeast exterior of the building and storage area.



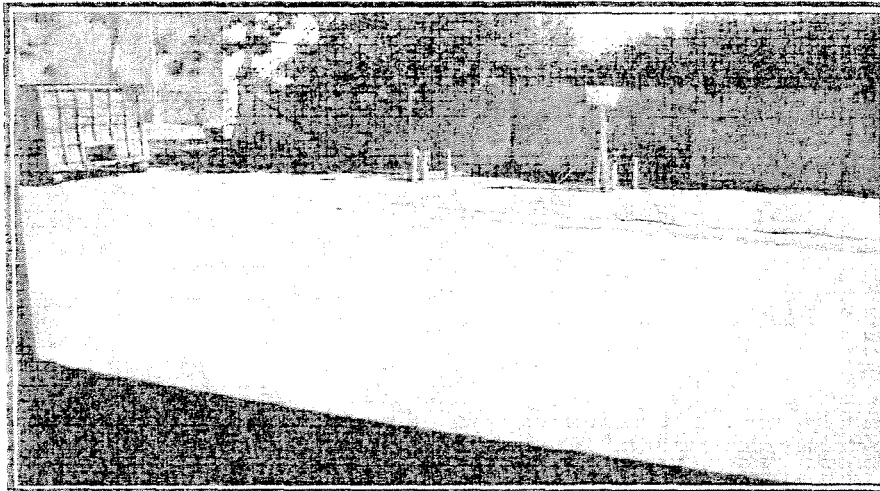
COUNTRY AFFAIR
1551 E. Orangethorpe Ave.
Fullerton, CA 92813

SITE PHOTOGRAPHS

Project No.: 6023	File: Appendix A	APPENDIX
Date: 09/27/06	Drawn By: KEG	A



A view of where the two clarifiers were believed to be located just in front of the awning.



A view of the previous two clarifiers from under the awning looking east.



COUNTRY AFFAIR
1551 E. Orangethorpe Ave.
Fullerton, CA 92813

SITE PHOTOGRAPHS

Project No.: 6023

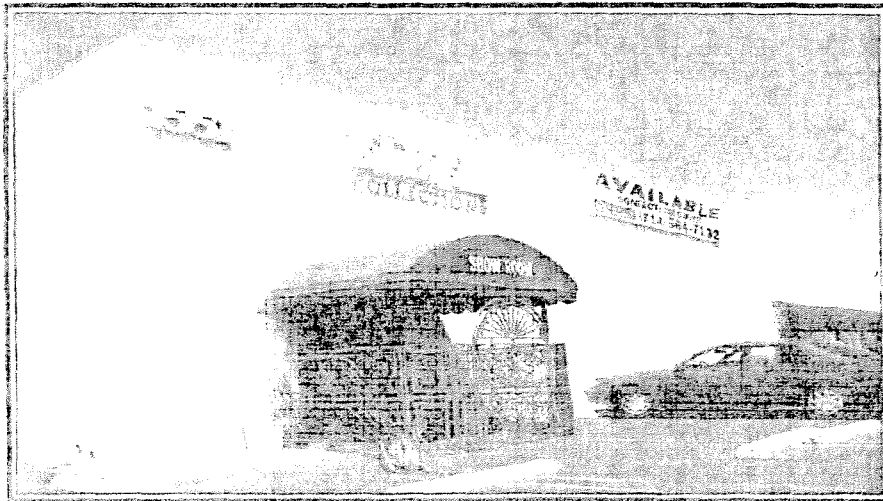
File: Appendix A

APPENDIX

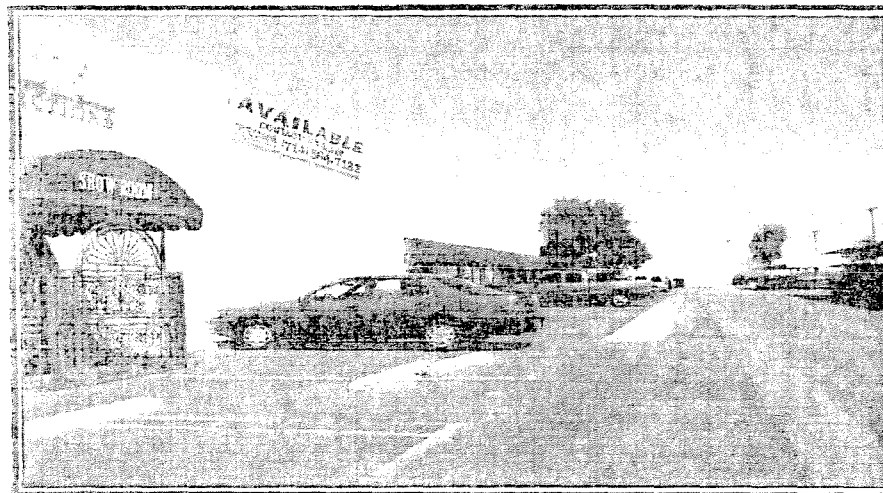
Date: 09/27/06

Drawn By: KBG

A



A view of the front of the Subject Site looking northeast.



Another view of the front of the Subject Site looking east.

ENVIRONMENTAL

COUNTRY AFFAIR
1551 E. Orangethorpe Ave.
Fullerton, CA 92813

SITE PHOTOGRAPHS

Project No.: 6023

File: Appendix A

APPENDIX

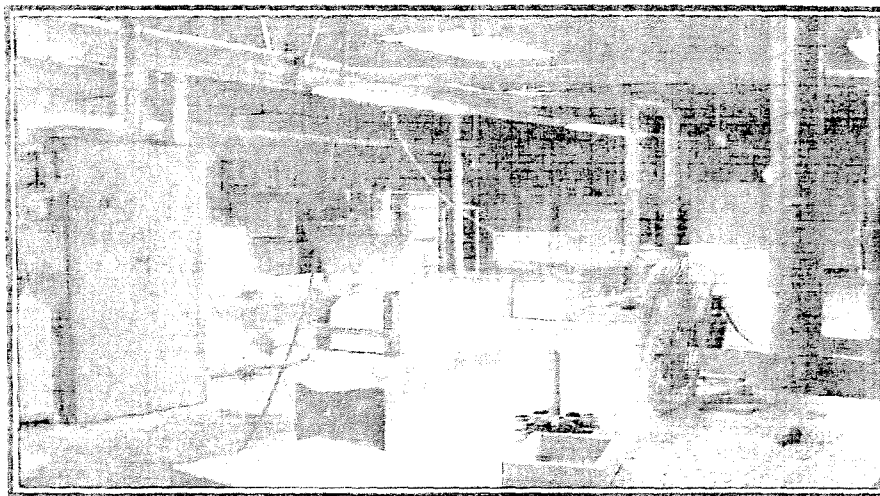
Date: 09/27/06

Drawn By: KBG

A



A view of the custom furniture production area.



Another view of the custom furniture production area.

ENVIRONMENTAL

COUNTRY AFFAIR
1551 E. Orangethorpe Ave
Fullerton, CA 92813

SITE PHOTOGRAPHS

Project No.: 6023	File: Appendix A	APPENDIX
Date: 09/27/06	Drawn By: KBG	A

APPENDIX B



Tenant Report

1551 E Orangethorpe Ave Fullerton, CA, 92813

Project Number: 47850

Prepared for:

**KE Environmental
Attn: Kent Green**

Prepared by:

Environmental Risk Advisory, Inc.

888 767-7383

September 12, 2006

APPENDIX C

12.12.1995 12:38

STATE OF CALIFORNIA - CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY

PETER WILSON, Chairman

CALIFORNIA REGIONAL WATER QUALITY CONTROL BOARD

SANTA ANA REGION

8995 JONAH AVENUE, SUITE 100

RIVERSIDE, CA 92507-4404

PHONE (909) 782-4130

FAX (909) 781-4299



December 11, 1995

Mr. Carl Ross
Red Eagle Properties Limited
2020 Lynx Trail
Ontario, CA 91761

FULLERTON BUSINESS PARK, 1551 EAST ORANGETHORPE AVENUE, FULLERTON

Dear Mr. Ross:

On November 1, 1995, Robert Holub and Augustine Anijale of Board staff met with Mark Boen of Red Eagle Properties and Roger Turner regarding the above site. In September 1994, Red Eagle Properties removed two clarifiers that were present at the site and identified PCE in the soil immediately beneath one of the clarifiers. In December 1994, Converse Consultants, on behalf of Red Eagle Properties, performed a soil investigation to characterize the soil at the site. In January 1995, Converse Consultants performed an additional soil investigation. These investigations found that significant PCE concentrations were present in the shallow soil. The investigations also detected TCE to a depth near the groundwater. A report prepared by Converse Consultants stated that, based on the soil data, groundwater beneath the site had not been impacted by PCE.

As a result of the public health threat posed by the PCE in the shallow soil, Red Eagle Properties is currently remediating the shallow soil under the oversight of the Orange County Health Care Agency. Board staff reviewed the results of the soil investigations and determined that TCE, and possibly PCE, may have impacted groundwater. As a result, Board staff sent a letter dated August 9, 1995, to Red Eagle Properties. This letter stated that we did not concur that groundwater beneath the site had not been impacted, and requested that a groundwater investigation, including the installation of monitoring wells, be performed.

Based on the information obtained in the November 1, 1995, meeting, it is now our understanding that Red Eagle Properties acquired the property from the Resolution Trust Corporation in May 1994. After determining that past discharges of PCE had impacted the shallow soil, Red Eagle Properties undertook diligent efforts to mitigate those impacts by installing and operating a soil vapor extraction and treatment system. The property was then sold to the current owner in March 1995. We understand that under the terms of the sale of the property, Red Eagle Properties is continuing to operate the treatment system.

From

12.12.1995 12:19

P. 2

Mr. Carl Ross

-2-

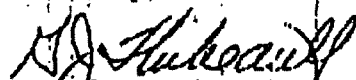
December 11, 1995

It is apparent that Red Eagle Properties did not discharge the PCS that impacted the shallow soil or the PCS or TCS that may have impacted the groundwater. It is also apparent that Red Eagle Properties did not own the property during the time that those discharges took place. Please be aware that it has not been the policy of this office to hold a former owner of a property responsible for site investigation and cleanup if the former owner was not directly involved in the initial waste discharge and if the former owner did not own the property during the time that the wastes were discharged. Considering the additional information we obtained at the November 1, 1995, meeting, we withdraw our request to Red Eagle Properties to conduct a groundwater investigation.

You also asked what the responsibilities are for a current landowner at this site. Section 13304 of the California Water Code states that the Regional Board can order any person who caused or permitted waste to be discharged into waters of the state and creates, or threatens to create, a condition of pollution or nuisance, to clean up the waste or abate the effects thereof. If such an order was issued, the party responsible for the release of the waste would be designated as the primary responsible party and the current landowner of the property would be designated as the secondary responsible party. The primary responsible party would be required to comply with all of the terms of the order. The only time that the secondary responsible party would be required to comply with any of the terms of the order, is if the primary responsible party defaulted on the order (i.e. if the primary responsible party went bankrupt or was otherwise not able to comply with the order). Although we are unable to absolve any current property owner of responsibility for any site investigation or cleanup, considering that the soil impacts at this site have been adequately mitigated, we are not considering issuing an order requiring a groundwater investigation at this time.

If you have any questions, please contact Robert Holub at (909) 782-3298 or Augustine Anijialo at (909) 782-3292.

Sincerely,



Gerald J. Thibeault
Executive Officer

cc: Luis Lodriqueza, OCHCA

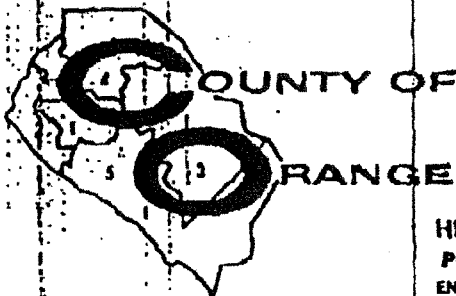
RLH/ABA:mlc/mscl'fullbus

APPENDIX D

PRIMISTERN DEV. CO.

9899482195

P. 84

COUNTY OF
ORANGETOM URAM
DIRECTORHUGH F. STALLWORTH, M.D.
HEALTH OFFICERENVIRONMENTAL HEALTH DIVISION
ROBERT E. MERRYMAN, RPHS, MPH
DEPUTY DIRECTORHEALTH CARE AGENCY
PUBLIC HEALTH SERVICES
ENVIRONMENTAL HEALTH DIVISION
8009 E. EDINGER AVENUE
SANTA ANA, CALIFORNIA 92705
(714) 667-3700

December 15, 1995

Carl Ross
Red Eagle Properties, Ltd.
2020 Lynx Trail
Ontario, CA 91761

Subject: Case Closure

Re: Fullerton Business Park North
1551 East Crangethorpe Avenue
Fullerton, CA 92631
O.C.H.C.A. Case # 94C29

Dear Mr. Ross:

This letter confirms the completion of remedial action at the above referenced site. With the provision that the information provided to this Agency was accurate and representative of existing conditions, it is the position of this office that no further action is required at this time.

This confirmation of completion is limited in scope. It is limited to site conditions made known to this Agency under the above referenced case number. It is based on an evaluation of the health threat presented by the inhalation, ingestion, or dermal absorption of the residual contaminants. In addition, this evaluation considered the present and proposed use of the property. Changes in the present or proposed land use may require further site characterization and/or site mitigation activity.

The presence of chlorinated hydrocarbons and the potential for residual contamination present at this site to cause groundwater contamination had been made known to the Santa Ana Regional Water Quality Control Board. The Regional Board decided that no groundwater investigation will be required for this site at this time.

PRINESTERN DEV. CO.

9899452195

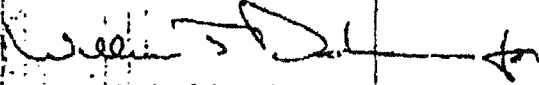
P. 85

Carl Rosa
December 15, 1995
Page 2

Please be advised that this letter does not relieve you of any liability under the California Health and Safety Code or Water Code for past, present or future operations at the site. Nor does it relieve you of the responsibility to clean up existing, additional or previously unidentified conditions at the site which cause or threaten to cause pollution or nuisance or otherwise pose a threat to water quality or public health. It is the property owner's responsibility to notify this Agency of any changes in future contamination findings or site usage.

If you have any questions regarding this matter, please contact Luis Lodrigueza at (714) 667-3717.

Very truly yours,



Karen L. Hodel, R.G.
Program Manager
Hazardous Materials Management Section
Environmental Health Division

KLH:WJD:LL

cc Robert Holub, Santa Ana Regional Water Quality Control Board
Henry Ames, Converse Consultants - Orange County

APPENDIX E

MD

1 Duane C. Miller, #57812
 2 Michael D. Axline, #229840
 3 A. Curtis Sawyer, Jr., #101324
 4 Tracey L. O'Reilly, #206230
 5 Tamarin E. Austin, #207903
 6 Evan Elckmeyer, #166652
 7 Daniel Boons, #148841
 MILLER, AXLINE & SAWYER
 A Professional Corporation
 1050 Fulton Avenue, Suite 100
 Sacramento, CA 95825-4272
 Telephone: (916) 488-6688
 Facsimile: (916) 488-4288

(Exempt from filing fees
 per Govt. Code, § 6103)

FILED
 SUPERIOR COURT OF CALIFORNIA
 COUNTY OF ORANGE
 CENTRAL JUSTICE CENTER

APR 11 2005

ALAN BLATTEN, Clerk of the Court
 BY *E. Blomberg*
 DEPUTY

8 Attorneys for Plaintiff
 Orange County Water District

SUPERIOR COURT OF THE STATE OF CALIFORNIA

IN AND FOR THE COUNTY OF ORANGE

ORANGE COUNTY WATER DISTRICT,

Plaintiff,

v.

14 NORTROP CORPORATION; NORTROP
 15 GRUMMAN CORPORATION; AMERICAN
 16 ELECTRONICS, INC.; MAG AEROSPACE
 17 INDUSTRIES, INC.; GULTON
 18 INDUSTRIES, INC.; MARK IV
 19 INDUSTRIES, INC.; EDO CORPORATION;
 20 AEROJET-GENERAL CORPORATION;
 21 MOORE BUSINESS FORMS, INC.; AC
 22 PRODUCTS, INC.; FULLERTON
 23 MANUFACTURING COMPANY;
 24 FULLERTON BUSINESS PARK LLC; and
 25 DOES 1 through 400, inclusive,

Defendants.

CASE NO. 04CC00715

FIRST AMENDED
 COMPLAINT FOR DAMAGES
 AND OTHER RELIEF
 (VOC CONTAMINATION):
 (1) ORANGE COUNTY WATER
 DISTRICT ACT;
 (2) CALIFORNIA SUPERFUND ACT;
 (3) NEGLIGENCE;
 (4) NUISANCE;
 (5) TRESPASS; AND
 (6) DECLARATORY RELIEF

Plaintiff Orange County Water District (the District) alleges:

SUMMARY

1. By this action the District seeks to protect the groundwater resources of Northern Orange County from toxic pollution. The California State Legislature has charged the District with preventing pollution and contamination of the groundwater basin and water supply within the District. The groundwater resources managed and replenished by the District supply over

Complaint for Damages and Other Relief (VOC Contamination)

1 fifty percent of the water needs to more than two million residents in the cities of Anaheim,
2 Buena Park, Cypress, Costa Mesa, Fountain Valley, Fullerton, Garden Grove, Huntington Beach,
3 Irvine, La Palma, Los Alamitos, Newport Beach, Orange, Placentia, Santa Ana, Seal Beach,
4 Stanton, Tustin, Villa Park, Westminster, and Yorba Linda. The District possesses rights to draw
5 water from, and valuable rights to, inter alia, recharge and store water in, one or more
6 contaminated local aquifers, including but not necessarily limited to, aquifers within the
7 groundwater basin. The District's interest in the extraction of groundwater resources of the
8 contaminated aquifer(s), and its valuable interests in recharge and storage capacity in the
9 contaminated aquifers, inter alia, is/are natural resource(s) and/or protectable interests in a
10 natural resource.

11 2. The District files this lawsuit to recover compensatory and all other damages,
12 including all necessary funds to investigate, monitor, remediate, abate, or contain contamination
13 of groundwater within the District from volatile organic chemicals (VOCs); to protect the quality
14 of the public water resources of the District; to prevent pollution or contamination of water
15 supplies; and to assure that the responsible parties -- and not the District or the public -- bear the
16 expense of remediating the contamination caused by defendants' activities.

17 3. The properties and groundwater resources that are the subject of this action are located
18 in the cities of Anaheim, Fullerton, and other locations within the District's service area; the
19 releases of VOC's and hazardous substances into the environment and related wrongful acts
20 alleged herein took place at said properties, injuring and affecting said groundwater resources.
21 Venue is therefore proper in this Court.

22 PLAINTIFF

23 4. The District was created by the Legislature in 1933 to maintain, protect, replenish, and
24 manage groundwater resources. The Legislature expressly granted the District the right, and
25 duty, among other things, to conduct any investigations of the quality of the groundwater within
26 the District to determine whether those waters are contaminated or polluted, and to perform any
27 necessary investigation, cleanup, abatement, or remedial work to prevent, abate, or contain any
28 threatened or existing contamination or pollution of the surface or groundwater of the District,

1 and recover the costs of any such activities from the persons responsible for the contamination or
2 threatened contamination. (Cal. Water Code, Appendix 40-8.) The District has suffered injury in
3 fact, including expending funds necessary to investigate, clean up, abate, and/or remediate the
4 contamination caused by defendants within the past three years.

5 5. The Legislature has also expressly granted the District the right, and duty, among other
6 things, to litigate in order to protect groundwater resources and to represent the rights of water
7 users within its territory. In particular, the District has the right, and duty, to commence,
8 maintain, intervene in and compromise any and all actions and proceedings to prevent: (a)
9 interference with water or water rights used or useful to lands within the District; (b) diminution
10 of the quantity or pollution or contamination of the water supply of the district, or to prevent any
11 interference with the water or water rights used or useful in the district which may endanger or
12 damage the inhabitants, lands or use of water in the district. (Cal. Water Code, Appendix 40-2.)
13 The District owns land overlying groundwater at various locations within the District and has
14 water rights therein. Water users within the District pump over 300,000 acre-feet of groundwater
15 each year. The District and the water users it represents have suffered injury in fact as a result of
16 contamination and threat of contamination in water supply wells in the District's groundwater
17 resources, as set forth in this complaint.

18 6. The District has protectable legal interests in the groundwater within the District's
19 territory, including the right to extract groundwater, replenish the aquifer, and to treat waste
20 water. These interests have been injured as a result of contamination from defendants' facilities.
21 The relief sought in this action will remedy the injury suffered by the District.

22 DEFENDANTS AND SITE HISTORY

23 7. When reference in this complaint is made to any act or omission of the defendants, it
24 shall be deemed to mean that the officers, directors, agents, employees, or representatives of the
25 defendants committed or authorized such act or omission, or failed to adequately supervise or
26 properly control or direct their employees while engaged in the management, direction, operation
27 or control of the affairs of defendants, and did so while acting within the scope of their
28 employment or agency.

1 8. Defendant Northrop Corporation (hereinafter "Northrop") is a Delaware corporation
2 with its principle place of business in Hawthorne, California. Northrop acquired a site located at
3 500 East Orangethorpe Avenue, Anaheim, California, in approximately 1951. On various dates
4 since 1951, Northrop, and DOES 1 through 10, inclusive, as owners and operators of the site,
5 discharged, dumped, and disposed hazardous wastes associated with its vapor degreasing and
6 anodizing process tanks, including, but not limited to: TCE; PCE; 1, 1, 1-TCA; 1, 1-DCA; 1, 2-
7 DCA; and 1, 1, 2-TCA. During the same period, Northrop also operated a "disposal pit" for
8 hazardous waste on the site.

9 9. Defendant Northrop Grumman Corporation (hereinafter "Northrop Grumman") is a
10 Delaware corporation with its principle place of business in El Segundo, California. Northrop
11 Grumman's predecessor-in-interest, Northrop, leased and operated a site known as the Northrop
12 Y-12 facility at 301 East Orangethorpe Avenue, Anaheim, California, from 1962 until 1992.
13 Northrop Grumman purchased the site in 1992. On various dates since 1951, Northrop, Northrop
14 Grumman, and DOES 11 through 20, inclusive, as owners and operators of the site, discharged,
15 dumped, and disposed hazardous wastes associated with its vapor degreasing operations,
16 including, but not limited to: TCE; PCE; 1, 1-DCE; and 1, 1, 1-TCA.

17 10. Defendant American Electronics, Inc. (hereinafter "AEI") is a California corporation
18 with its principle place of business in Fullerton, California. AEI owned and operated a site
19 located at 1600 East Valencia Drive, Fullerton, California, commencing in approximately 1967.
20 AEI and DOES 21 through 30, inclusive, as owners and operators of the site, used solvents in
21 degreasing operations and maintained a chemical storage area which caused releases of
22 hazardous waste on the site, including PCE, TCE, and 1,1, 1-TCA.

23 11. Defendant MAG Aerospace Industries, Inc. (hereinafter "MAG") is a Delaware
24 corporation with its principle place of business in Compton, California. MAG owned and
25 operated a site located at 1300 East Valencia Drive, Fullerton, California. MAG and DOES 31
26 through 40, inclusive, as owners and operators of the site, operated a PCE degreaser, a dip tank,
27 and a chemical storage area which released hazardous wastes on the site, including PCE, TCE, 1,
28 1, 1-TCA, 1, 1-DCE, and cis-1, 2-DCE.

1 12. Defendant Gulton Industries, Inc. (hereinafter "Gulton") is a Delaware corporation
2 with its principle place of business in Fullerton, California. From approximately 1960 to 1982,
3 Gulton manufactured transducers at 300 South College Boulevard, Fullerton, California, and an
4 adjacent lot known as 2424 East Fender Avenue. In 1982, Gulton subdivided the property and
5 leased a portion of the premises to defendant EDO Corporation. Plaintiff is informed that EDO
6 Western Corporation (DOE 43) also leased this property. Plaintiff is informed that in 1986,
7 Mark IV Industries, Inc., acquired Gulton and owned and operated a business at 300 South
8 College Boulevard. In 1990, Gulton reacquired the site at 300 South College Boulevard and
9 agreed to assume any liability associated with the cleanup of the property. Gulton Industries, Inc.
10 changed its name to Gulton, Inc. (DOE 41) and was later acquired by and merged into defendant
11 Telex Communications Holdings, Inc. (DOE 44) (hereinafter "Telex"). Telex is a Delaware
12 corporation with its principle place of business in Burnsville, Minnesota and doing business in
13 California. Gulton and DOES 41 through 50, inclusive, as owners and operators of the site, used
14 TCE and PCE in manufacturing operations and stored solvent drums on the site which released
15 hazardous waste at the site.

16 13. Defendant CBS Broadcasting, Inc., successor in interest to CBS, Inc. and formerly
17 known as Colombia Broadcasting Systems, Incorporated, which, at all times relevant herein, did
18 business as Fender Musical Instruments (DOE 45) (hereinafter "Fender") occupied the facility
19 located at 2424 East Fender Avenue. Fender released hazardous wastes, including PCE, at the
20 site.

21 14. Defendant Mark IV Industries, Inc. (hereinafter "Mark IV") is a Delaware
22 corporation with its principle place of business in Amherst, New York, and doing business in
23 California. Mark IV owned Gulton Industries, Inc., from approximately 1986 to 1999.

24 15. Defendant EDO Corporation is a New York corporation with its principle place of
25 business in New York, New York, and doing business in California.

26 16. Defendant EDO Western Corporation (DOE 43) is a Utah corporation with its
27 principle place of business in Salt Lake City, Utah, and doing business in California.
28

1 17. Defendant AeroJet-General Corporation (hereinafter "Aerojet"), is an Ohio
2 corporation with its principle place of business in Rancho Cordova, California, and doing
3 business in California. Aerojet conducted metal processing, ordnance manufacturing, and other
4 operations at 601 South Placentia, in Fullerton, California.. Aerojet and DOES 51 through 60,
5 inclusive, as owners and operators of the site, used TCE and PCE in manufacturing operations
6 and stored solvent drums on the site which released hazardous waste at the site.

7 18. Defendant Moore Business Forms, Inc. is a Delaware corporation with its principal
8 place of business in Bannockburn, Illinois, and doing business in California. Defendant Moore
9 Business Forms, Inc. is currently known as Moore Wallace North America, Inc., DOE 61,
10 (individually and formerly known as Moore Business Forms, Inc. and DOE 42) (hereinafter
11 collectively referred to as "Moore") is a Delaware corporation with its principle place of business
12 in Bannockburn, Illinois, and doing business in California. Moore owns and operates a site at
13 800 South Raymond in Fullerton, California. From approximately 1954 to 1985, Moore used
14 VOC's at the site in the conduct of Moore's business, including but not limited to printing credit
15 card forms, manufacturing compacted paper, and manufacturing wax coated logs. Moore and
16 DOES 61 through 70, released hazardous wastes, including PCE and TCE, at the site.

17 19. Defendant AC Products, Inc. (hereinafter "AC Products") is a California corporation
18 with its principle place of business in Placentia, California. AC Products owns and operates a
19 facility located at 172 La Jolla Street in Placentia, California. AC Products activities at this
20 location include manufacturing temporary protective coatings for nonporous surfaces. AC
21 Products and DOES 71 through 80, inclusive, as owners and operators of the site, released
22 hazardous wastes, including PCE, at the site.

23 20. Defendant Fullerton Manufacturing Company (hereinafter "Fullerton
24 Manufacturing") is a California corporation with its principle place of business in Jamaica Plain,
25 Massachusetts. Fullerton Manufacturing owns and operates a facility at 311 South Highland in
26 Fullerton, California. Fullerton Manufacturing and DOES 81 through 90, inclusive, as owners
27 and operators of the site, released hazardous wastes, including TCE, at the site.
28

21. DOES 91 through 100, inclusive owned and operated a facility at 1551 E. Orangethorpe Avenue, in Fullerton, California, where they released hazardous waste, including PCE and TCE.

22. The District is ignorant of the true names and/or capacities of the defendants sued herein under the fictitious names DOES 1 through 400, inclusive. The defendants named above, and DOES 1 through 400 inclusive, and each of them: (1) owned and/or operated a business which used volatile organic chemicals which have been released into the subsurface; (2) were legally responsible for, and committed one or more of the tortious and wrongful acts alleged in this complaint; and (3) in doing the tortious and wrongful acts alleged in complaint, acted in the capacity of aider, abetter, joint-venturer, agent, principle, successor-in-interest, surviving corporation, controller, alter ego, licensor, patent holder, and/or indemnitor of one or more of the remaining named and/or DOE defendants.

CHEMICALS OF CONCERN AND RELEVANT OPERATIONS

23. This action concerns certain volatile organic chemicals (VOCs), which are typically used as solvents, degreasers, and for other industrial purposes. As used in this complaint, volatile organic chemicals and their degradation products include, trichloroethylene (TCE), tetrachloroethylene (a.k.a. perchloroethylene) (PCE), 1, 1-dichloroethylene (1, 1-DCE), 1, 2-dichloroethane (1, 2-DCA), 1,4 dioxane (1-4D), 1, 1, 1-trichloroethane (1, 1, 1-TCA), 1, 1, 2-trichloroethane (1, 1, 2-TCA), 1,2-3 trichloropropane (TCP), 1, 1-dichloroethane (1, 1-DCA), methylene chloride, trans-1, 2-dichloroethylene (trans-1, 2-DCE) and cis-1, 2-dichloroethylene (cis-1,2-DCE) (hereinafter collectively referred to as VOCs.).

24. PCE and TCE are toxic organic compounds which have been used as cleaning solvents. In soil, PCE can be transformed into TCE, vinylchloride, and 1, 1, 1-trichloroethane (TCA).

25. TCP is an unnecessary contaminant present in certain cleaning solvents.

26. The State of California has determined that each of the VOC's named in this complaint is a "hazardous waste" within the definition of the California Superfund Act due to toxicity and other characteristics. These VOC's, and each of them, readily dissolve in water,

1 spread through permeable and semi-permeable soils down into and through plumes in
2 groundwater, and require expensive remediation technologies to remove or reduce to below
3 governmentally-established limits.

4 27. Defendants' historical, current and ongoing releases and disposal of significant
5 quantities of hazardous substances and wastes, at various sites and facilities within the area, have
6 caused the contamination alleged in this Complaint. VOC's in the soil and groundwater, at,
7 under, and emanating from, the sites pose an imminent and substantial threat to public health,
8 natural resources and the environment.

9 28. This complaint does not allege any cause of action or claim for relief under any
10 federal statute, regulation, or law.

11 FIRST CAUSE OF ACTION

12 (Orange County Water District Act - Against All Defendants)

13 29. The District refers to paragraphs 1 through 26 above, and by this reference
14 incorporates them as though set forth in full.

15 30. The Orange County Water District Act, California Water Code Appendix 40-1 et.
16 seq., charges the District with both the responsibility and the authority to investigate the sources
17 of contamination and potential contamination within the basin and to pursue legal remedies,
18 including cost recovery, against entities causing or threatening to cause contamination. The
19 District's Board has determined that investigation and remedial work is required by the
20 magnitude of VOC contamination, as described in this Complaint, and that prompt action is
21 needed to prevent, abate, and contain threatened and existing contamination. The Board has
22 authorized the expenditures of funds to conduct such investigation and remediation, and has
23 authorized action to recover all costs and damages associated with such contamination.

24 31. Defendants, and each of them, within the past three years have caused and are
25 causing the District to conduct investigations of the quality of the groundwater within the District
26 to determine whether those waters are contaminated or polluted with toxic substances, at
27 substantial cost to the District in an amount to be proved at trial.

28 32. Defendants, and each of them, on various dates within the past three years have

1 caused, are causing, and will cause the District to perform cleanup, abatement, and/or remedial
2 work needed to prevent, abate, and/or contain threatened or existing contamination of, or
3 pollution to, the groundwater of the District, all at substantial cost to the District in an amount to
4 be proved at trial.

5 33. Defendants, and each of them, are causing and/or threatening to cause contamination
6 and pollution of the basin. As a direct and proximate result of the acts and omissions of the
7 defendants alleged in this complaint, the District must initiate a remedial program to assess,
8 evaluate, investigate, monitor, abate, clean up, correct, contain, and/or take other necessary
9 remedial action, all at significant expense, cost, loss, and damage in amounts to be proved at
10 trial. Such costs include, but are not limited to, costs incurred to monitor, assess and evaluate the
11 hazardous substances release; costs of removal and disposal of the hazardous substance; costs to
12 remedy permanently the hazardous substance release, including, but not limited to, the storage,
13 confinement, and cleanup of hazardous substances, and any other action necessary to protect
14 public health, welfare, and the environment. Plaintiff further seeks, without limitation, recovery
15 of damages for injury to, destruction of, and/or loss of its interests in the one or more
16 contaminated aquifers and its water and natural resources, recharge and storage, usage and
17 capacity, inter alia, suffered as a result of said contamination.

18 34. As a direct and proximate result of the acts and omissions of the defendants alleged
19 in this complaint, the District will incur substantially increased expenses, all to the District's
20 damage, in an amount within the jurisdiction of this court. The District has and will incur costs
21 and attorneys' fees in prosecuting this action. The District is entitled to recover all such
22 damages, together with court costs and reasonable attorneys' fees, in this action.

23 35. As a direct and proximate result of defendants' conduct, the District is entitled to
24 recover all past, present, and future response costs, together with interest from defendants, as
25 well as damages for injury, loss and damages to natural resources.

26 SECOND CAUSE OF ACTION

27 (California Superfund Act - Against All Defendants)

28 36. The District refers to paragraphs 1 through 33 above, and by this reference

1 incorporates them as though set forth in full.

2 37. Section 25323.5(a) of the California Health and Safety Code defines a person who is
3 liable under the Carpenter-Presley-Tanner Hazardous Substance Account Act ("California
4 Superfund"). Defendants, and each of them, are owners and/or operators of facilities which have
5 released and are releasing hazardous wastes as alleged herein and are "responsible parties" under
6 California Superfund and liable to the District for response costs and other damages.

7 38. The contaminants that defendants disposed of and released into the groundwater
8 supply are specifically listed and designated as "hazardous substances" within the meaning of
9 California Health and Safety Code section 25316.

10 39. As a proximate result of defendants' release and continuing discharge of hazardous
11 substances into the environment, including the groundwater supply, the District has had to incur
12 necessary response costs, including attorneys' fees and expert fees, for which defendants are
13 strictly liable pursuant to California Health and Safety Code section 25363. Plaintiff seeks
14 recovery of response costs and abatement expenses plaintiff has incurred or will incur in
15 connection with the contamination which has migrated and continues to migrate from
16 defendants' operations and facilities. Plaintiff further seeks, without limitation, recovery of
17 damages for injury to, destruction of, and/or loss of its interests in the one or more contaminated
18 aquifers, water and natural resources, recharge and storage, usage and capacity, inter alia,
19 suffered as a result of said contamination. Notice of commencement of this action is being
20 given to the Director of Toxic Substances Control pursuant to California Health and Safety Code
21 section 25363(e).

22 40. The District seeks contribution and/or indemnity for all response costs under
23 California Health and Safety Code section 25363, which provides that any person who has
24 incurred removal or remedial action costs may seek contribution or indemnity from any
25 responsible party.

26 41. The District brings this action to: (1) require defendants to investigate and clean up
27 the environmental contamination caused or contributed to by defendants, which has migrated and
28 continues to migrate from numerous industrial, commercial and waste disposal sites and facilities

1 within the District; and (2) recover the District's costs, expenses, losses and other damages
2 caused by the environmental contamination which has been released and continues to be released
3 into the environment, and which has migrated and continues to migrate, from defendants'
4 facilities and sites.

5 THIRD CAUSE OF ACTION

6 (Negligence - Against All Defendants)

7 42. The District refers to paragraphs 1 through 39 above, and by this reference
8 incorporates them as though set forth in full.

9 43. Defendants had a duty to use due care in the handling, control, disposal, release,
10 remediation and use of VOC's, and products containing VOC's, at their respective sites.

11 44. The defendants named herein so negligently, carelessly, and/or recklessly handled,
12 controlled, failed to control, disposed, released, remediated or failed to remediate, and used
13 hazardous substances, and products containing hazardous substances, that they contaminated,
14 threatened, and polluted groundwater resources within the District, resulting in the damages
15 alleged in this complaint.

16 45. Defendants, and each of them, among other things, negligently, carelessly, and/or
17 recklessly failed to: (1) prevent spills, leaks, discharges and releases of VOC's through the use of
18 appropriate technology; (2) install and maintain systems to prevent spills, leaks, discharges and
19 releases, and facilitate prompt detection and containment of any spills, leaks, discharges and
20 releases; (3) monitor and discover spills, leaks, discharges and releases as soon as possible; (4)
21 warn those who may be injured as a result of spills, leaks, discharges and releases; and (5) clean
22 up and abate spills, leaks, discharges and releases as thoroughly and quickly as reasonably
23 possible and in a manner necessary to prevent harm and injury to plaintiff and others.

24 46. Defendants undertook to retain consultants to conduct environmental investigations
25 and cleanups, thereby affirmatively undertaking the duty to detect and remediate spills, leaks,
26 discharges and releases of VOC's. Defendants, however, negligently failed to properly discharge
27 these duties.

1 47. The defendants knew, or should have known, that VOC's would spill, leak, discharge
2 and release into the soil and contaminate groundwater.

3 48. By their conduct defendants, and each of them, among other things, are:

4 (a) Causing and/or permitting the discharge of hazardous wastes (VOC's) into
5 groundwater resources, creating conditions of pollution and/or nuisance within the
6 meaning of California Water Code section 13050;

7 (b) Using groundwater in the District for waste disposal, an unreasonable and non-
8 beneficial use of groundwater resources, in violation of California Constitution
9 Article 10, Section 2; and

10 (c) Impairing the District's rights to maintain the quality of groundwater throughout
11 the District.

12 49. As a direct and proximate result of defendants' acts and omissions as alleged herein,
13 the District has incurred within the past three years, is incurring, and will continue to incur,
14 investigation, remediation and treatment costs and expenses required to restore its groundwater
15 resources, and other damages as alleged herein, in an amount to be proved at trial.

16 50. Defendants knew that it was substantially certain that their alleged acts and omissions
17 described above would threaten public health and cause extensive contamination of public
18 drinking water supplies and property damage. Defendants committed each of the above
19 described acts and omissions knowingly, willfully, and with oppression, fraud, and/or malice and
20 with conscious disregard of the health and safety of others, and of the District's rights.

21 51. This conduct is reprehensible, despicable, and was performed in conscious disregard
22 of the known risks of injury to health and property. Defendants acted with willful and conscious
23 disregard of the probable dangerous consequences of that conduct and its foreseeable impact
24 upon the District. Therefore, the District requests an award of exemplary damages in an amount
25 sufficient to punish defendants.

26 **FOURTH CAUSE OF ACTION**

27 (Nuisance - Against All Defendants)

28 52. The District realleges paragraphs 1 through 49 of this complaint and incorporates

1 them herein by reference.

2 53. The negligent, reckless, intentional and ultrahazardous activity of the defendants, and
3 each of them, as alleged herein, has resulted in the contamination and pollution of groundwater
4 within the District, and constitutes a nuisance. The contamination and pollution of such
5 groundwater with VOC's is a public nuisance as defined in Civil Code section 3479, Civil Code
6 section 3480, Health and Safety Code section 5410, and Water Code section 13050, and is
7 reasonably abatable and varies over time. The defendants, and each of them, caused, created,
8 and/or assisted in the creation of the nuisance alleged herein.

9 54. The defendants, their agents and employees, handled, controlled, disposed, released
10 and used VOC's, and products containing VOC's, with reckless disregard for human health, the
11 environment, and for the peace, tranquility, and economic well-being of the public, resulting in
12 the nuisance alleged herein.

13 55. The aforesaid nuisance is continuing because it is reasonably abatable and/or because
14 the groundwater contamination herein at issue continues to migrate, move, and spread onto, into
15 and across the subsurface of the District's property and wells, and through one or more
16 contaminated aquifers, and its impact has thus varied, and continues to vary, over time.
17 Defendants, and each of them, have threatened to, and will, unless restrained by this Court,
18 continue to maintain the nuisance by failing to investigate, remove, and remediate the
19 environmental contamination which has migrated and continues to migrate from defendants'
20 operations and facilities, and each and every failure to act has been, and will be, without the
21 consent, against the will, and in violation of the rights of the District. Unless defendants, and
22 each of them, are restrained by order of this Court from continuing their non-responsive course of
23 conduct and failure to abate the contamination which has migrated and continues to migrate from
24 defendants' operations and facilities, it will be necessary for the District to commence many
25 successive actions against defendants, and each of them, to secure compensation for damage
26 sustained, thus requiring a multiplicity of suits.

27 56. The District is specially and adversely affected by the nuisance.

28 57. The nuisance caused by defendants, and each of them, has substantially interfered

1 with and obstructed the District's ability to utilize water resources free from unacceptable health
2 risk, taste, odor, pollution and contamination, and to protect groundwater within its territory from
3 such harm.

4 58. The District owns, holds and/or represents property rights, water rights, and interests
5 damaged by the nuisance. The District's injury is separate and distinct from that of the public.

6 59. The District has not consented to and does not consent to this nuisance. Defendants,
7 and each of them, knew or should have known, that the District would not consent to this
8 nuisance.

9 60. As a direct and proximate result of the nuisance, the District has been damaged
10 within the past three years and is entitled to the compensatory and exemplary damages alleged
11 herein, or to such other appropriate relief as the District may elect at trial, including, but not
12 limited to, equitable relief in the form of an order requiring defendants to abate the nuisance.

13 61. For the reasons alleged in paragraphs 48 and 49, the District is entitled to an award of
14 exemplary and punitive damages against defendants.

15 **FIFTH CAUSE OF ACTION**

16 **(Trespass – Against All Defendants)**

17 62. The District realleges paragraphs 1 through 59, inclusive, of this complaint and
18 incorporates them herein by reference.

19 63. The District is the owner, actual possessor, and/or represents the interests of the
20 owners and/or actual possessors of property rights and interests in the groundwater within its
21 territory, including the right to appropriate and regulate the use of water and the right to protect
22 such groundwater from contamination and pollution. Defendants, their agents and employees,
23 knew or in the exercise of reasonable care should have known, that VOC's are extremely
24 hazardous to groundwater and public water supplies, including the property and other rights of
25 the District and the water users it represents.

26 64. The defendants so negligently, recklessly and/or intentionally spilled, leaked,
27 released, and/or discharged, and failed to properly control, handle, store, contain, and use VOC's,
28 and products containing VOC's, that they proximately caused VOC's to contaminate and trespass

1 upon the District's property and interests as follows:

- 2 (a) The defendants participated in the use, storage, and release of VOC's by owning,
3 controlling, regulating, designing, installing, operating, monitoring, inspecting and
4 testing, or by failing to do so, the uses and storage of VOC's at their respective
5 sites, and thereby proximately caused VOC's to be spilled, leaked, released and
6 discharged into groundwater;
- 7 (b) Defendants retained consultants and negligently controlled and/or directed their
8 cleanup and remediation activities (or the lack thereof), thereby causing and
9 permitting VOC's to contaminate and pollute the District's property, and
10 defendants failed to warn the appropriate entities and individuals, including the
11 District, of known risks, spills, releases and/or leaks, and/or failed to undertake
12 reasonable, appropriate or necessary action to reduce, remediate, or abate VOC
13 groundwater contamination.
- 14 (c) When defendants learned, or reasonably should have learned, that VOC's were a
15 persistent, significant and/or widespread source of groundwater contamination, or
16 threatened to become so, defendants failed to warn the appropriate entities and
17 individuals, including the District, of known risks, spills, releases and/or leaks,
18 and/or failed to undertake reasonable, appropriate or necessary action to reduce,
19 remediate, or abate VOC's and groundwater contamination.

20 65. The contamination of groundwater within the District with VOC's has varied and
21 will vary over time and requires investigation, remediation, abatement, and/or treatment. The
22 District has engaged, is engaging and will engage, in remediation, abatement, investigation,
23 and/or treatment programs and/or in securing replacement water supplies, and has thereby
24 sustained within the past three years, and still is sustaining, and will sustain, the damages alleged
25 herein.

26 66. The defendants, and each of them, caused, created, and/or assisted in the creation of
27 the trespass alleged herein.

1 67. For the reasons alleged in paragraphs 48 and 49, the District is entitled to an award of
2 exemplary and punitive damages against defendants.

3 **SIXTH CAUSE OF ACTION**

4 **(Declaratory Relief - Against All Defendants)**

5 68. The District realleges paragraphs 1 through 65, inclusive, and incorporates them
6 herein by reference.

7 69. Defendants knew, or should have known, that VOC's, when used in a foreseeable
8 and intended manner, were dangerous and created an unreasonable and excessive risk of harm to
9 human health and the environment.

10 70. The defendants intentionally, willfully, deliberately and/or negligently failed to
11 properly handle, control, dispose, and release VOC's, such that defendants created substantial
12 and unreasonable threats to human health and the environment, which resulted from the
13 foreseeable and intended use and storage of VOC's and products containing VOC's.

14 71. Among other things, the District must take costly remedial action to remove VOC
15 contamination and/or secure alternative water supplies which will result in substantial costs,
16 expenses and damages within the jurisdiction of this Court.

17 72. Defendants, and each of them, have failed to reimburse the District for the Districts'
18 VOC-related investigation, remediation and cleanup costs and deny any responsibility or liability
19 for these damages and expenses the District will incur in the future.

20 73. An actual controversy exists concerning who is responsible for abating actual or
21 threatened pollution or contamination of groundwater resources within the District by VOC's.

22 74. In order to resolve this controversy, the District seeks an adjudication of the
23 respective rights and obligations of the parties, and other relief to the extent necessary to provide
24 full relief to the District.

25 **PRAAYER**

26 WHEREFORE, the District requests judgment against defendants, and each of them,
27 for:

- 28 1. Compensatory damages according to proof;

1 2. Exemplary damages in an amount sufficient to punish defendants and to deter
2 defendants from ever committing the same or similar acts;

3 3. An Order declaring that defendants are liable for the full cost of all remedial and other
4 actions necessary to abate and remove VOC's which are contaminating and threatening the
5 District's property, and for such orders as may be necessary to provide full relief to the District;

6 4. An Order declaring that defendants' VOC contamination constitutes a nuisance, and
7 compelling defendants to abate that nuisance;

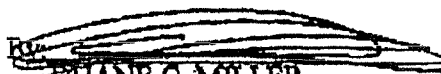
8 5. Attorneys' fees to the full extent permitted by law;

9 6. Costs incurred in prosecuting this action, and prejudgment interest to the full extent
10 permitted by law; and

11 7. For such and other further relief as the court may deem just and proper.

12 Dated: April 8, 2005

MILLER, AXLINE & SAWYER
A Professional Corporation

14
15 
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9

10 SUPERIOR COURT OF THE STATE OF CALIFORNIA

11 IN AND FOR THE COUNTY OF ORANGE

12 ORANGE COUNTY WATER DISTRICT,

13 Plaintiff,

14 v.

15 NORTHROP CORPORATION; NORTHROP
GRUMMAN CORPORATION; AMERICAN
ELECTRONICS, INC.; MAG AEROSPACE
16 INDUSTRIES, INC.; GULTON
INDUSTRIES, INC.; MARK IV
17 INDUSTRIES, INC.; EDO CORPORATION;
AEROJET-GENERAL CORPORATION;
18 MOORE BUSINESS FORMS, INC.; AC
PRODUCTS, INC.; FULLERTON
19 MANUFACTURING COMPANY;
FULLERTON BUSINESS PARK LLC; and
20 DOES 1 through 400, inclusive,

21 Defendants.
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25
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28

(Exempt from filing fees
per Govt. Code, § 6103)

FILED

SUPERIOR COURT OF CALIFORNIA
COUNTY OF ORANGE
CENTRAL JUSTICE CENTER

APR 21 2005

ALAN BLATER, Clerk of the Court

BY E. BLUMBERG DEPUTY

CASE NO. 04CC00715

PLAINTIFF'S AMENDMENT TO
SUBSTITUTE TRUE NAME FOR
FICTITIOUS NAME

[C.C.P. § 474]


[MICRODOT, INC., DOE 102]

1 Plaintiffs have learned the true identity of the defendant sued in the complaint as DOE
2 102, and hereby substitutes the true name of "Microdot, Inc." for that fictitious name wherever it
3 appears in the complaint.

4 Dated: April 20, 2005

MILLER, AXLINE & SAWYER
A Professional Corporation

6
7 By:


DUANE C. MILLER
Attorneys for Plaintiff
Orange County Water District

Attachment B
Dismissal of Legal Claim



APPENDIX F



ENVIRONMENTAL RECORDS SEARCH

Subject Site

1551 E ORANGETHORPE AVE, FULLERTON CA

Prepared for:

**KE Environmental
Attn: Kent Green**

09-12-2006

For more information, call Environmental Risk Advisory, Inc. at 888-767-7383

OCWD 042947

ENVIRONMENTAL RECORDS SEARCH

SITES WITH KNOWN ENVIRONMENTAL CONCERNS

ENVIRONMENTAL RECORDS SEARCH

SITES WITH
OPERATING PERMITS ONLY

REFERENCED SOURCES

